The template

This document provides the business case template for projects seeking funding which is made available through the **South East Local Enterprise Partnership**. It is therefore designed to satisfy all SELEP governance processes, approvals by the Strategic Board, the Accountability Board and also the early requirements of the Independent Technical Evaluation process where applied.

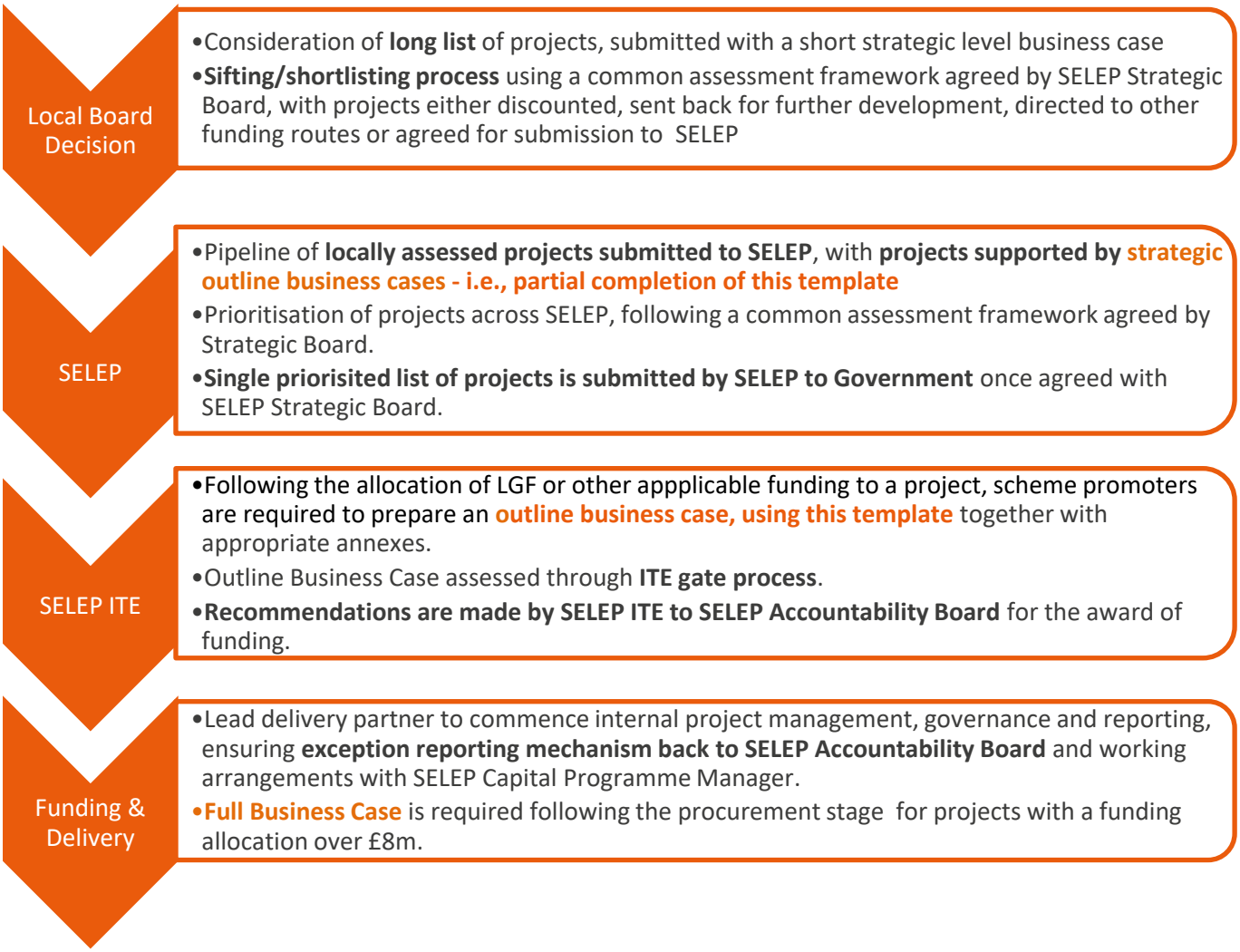
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable Body for a private sector final beneficiary. In those circumstances, the private sector beneficiary would complete this application and the SELEP team would be on hand, with local partners in the federated boards, to support the promoter.

Please note that this template should be completed in accordance with the guidelines laid down in the HM Treasury's Green Book. https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent

As described below, there are likely to be two phases of completion of this template. The first, an 'outline business case' stage, should see the promoter include as much information as would be appropriate for submission though SELEP to Government calls for projects where the amount awarded to the project is not yet known. If successful, the second stage of filling this template in would be informed by clarity around funding and would therefore require a fully completed business case, inclusive of the economic appraisal which is sought below. At this juncture, the business case would therefore dovetail with SELEP's Independent Technical Evaluation process and be taken forward to funding and delivery.

The standard process

This document forms the initial SELEP part of a normal project development process. The four steps in the process are defined below in simplified terms as they relate specifically to the


Local Board Decision
•Consideration of **long list** of projects, submitted with a short strategic level business case
•**Sifting/shortlisting process** using a common assessment framework agreed by SELEP Strategic Board, with projects either discounted, sent back for further development, directed to other funding routes or agreed for submission to SELEP
SELEP
•Pipeline of **locally assessed projects submitted to SELEP**, with **projects supported by strategic outline business cases - i.e., partial completion of this template**
•Prioritisation of projects across SELEP, following a common assessment framework agreed by Strategic Board.
•**Single priorisited list of projects is submitted by SELEP to Government** once agreed with SELEP Strategic Board.
SELEP ITE
•Following the allocation of LGF or other appplicable funding to a project, scheme promoters are required to prepare an **outline business case, using this template** together with appropriate annexes.
•Outline Business Case assessed through **ITE gate process**.
•**Recommendations are made by SELEP ITE to SELEP Accountability Board** for the award of funding.
Funding & Delivery
•Lead delivery partner to commence internal project management, governance and reporting, ensuring **exception reporting mechanism back to SELEP Accountability Board** and working arrangements with SELEP Capital Programme Manager.
•**Full Business Case** is required following the procurement stage for projects with a funding allocation over £8m.

Note – this does not illustrate background work undertaken locally, such as evidence base development, baselining and local management of the project pool and reflects the working reality of submitting funding bids to Government. In the form that follows:

Version control	
Document ID	Britton Farm Redevelopment Learning, Skills & Employment Hub Business Case
Version	002
Author	Daniel Ratcliff, Jessica Jagpal
Document status	Gate 2 Submission
Authorised by	Dawn Hudd
Date authorised	03/09/2020

1. PROJECT OVERVIEW

1.1. Project name:
Britton Farm Redevelopment Learning, Skills & Employment Hub

1.2. Project type:
Site Development, Skills, Employment

1.3. Federated Board Area:
Kent & Medway

1.4. Lead County Council / Unitary Authority:
Medway Council

1.5. Development location:
Britton Farm Mall, High Street, Gillingham, Kent, ME7 1DG

1.6. Project Summary:

An innovative adult learning, skills and employment hub will be created through repurposing an underused Council owned asset Britton Farm Mall (BFM). It will retrain, upskill, and support adults to access employment. State of the art digital facilities will improve digital skills and tackle digital exclusion, alongside providing the skills needed to access new high GVA jobs, which are being created at sites such as the Innovation Park Medway. It will be run by the Council's Medway Adult Education (MAE) team and it will work in tandem with existing Economic Development resources and programmes to ensure both existing and new businesses can utilise upskilled local labour. For new businesses choosing to locate in the area, the skills hub will help to alleviate concerns on whether local labour in Medway will be suitable for their needs.

In addition, the project includes the conversion of an at grade car park for the development of 44 affordable homes, behind the Britton Farm building. Award of this funding will fill a funding gap, to unlock these homes. Planning permission has been granted and discussions with an affordable housing provider are ongoing. The residential units and education hub located in the heart of the town centre, will improve the local economy by increasing footfall to the High Street and acting as a catalyst to regenerate Gillingham Town Centre. In addition, the skills centre's focus on supporting people to retrain and re-enter the job market will further support the local economy. In this respect, the project will help mitigate the risks, and seize the opportunities presented by a number of impacts of Covid-19, as set out in the *Medway Economy and Infrastructure Cell Covid-19 Recovery Impact Assessment and Action Plan,* principally:

- Significant rises in unemployment
- Disproportionate effect on the young; women; BAME communities; insecure workers; part-time and entry-level workers
- Accelerating decline of town centres
- Digital inclusion / exclusion
- Strength of the local business base

The innovative Skills Hub will be designed with flexible classroom space and state of the art digital equipment. A fully equipped training kitchen will help meet a variety of community needs, from supporting business start-ups to reducing food waste and teaching life skills. There will be a wide range of course areas available to help people reach their potential. Courses will also be designed to tackle social isolation and improve resident's mental health and wellbeing. Learners will also have the opportunity to use top of the range digital equipment that they would not otherwise have access to. There will be potential to run a device loaning scheme, enabling more residents to

access learning and improved connectivity and a wider array of digital courses will be offered to residents, improving digital skills across Medway.

Gillingham High Street is lengthy and has a number of vacant units, reflecting the national picture in terms of a declining retail offer. This is being compounded by the current Covid19 pandemic. The recovery plan includes the repurposing of existing High Street space and increasing footfall through increased residential and various places of employment, locating on the High Street. Without award of this funding, a key, vacant commercial space would remain empty and the opportunity to revitalise the High Street, create jobs, deliver homes, and upskill local people would not be realised. The location of the site and proposed repurposing adds value to the existing offices on the ground floor of BFM for Kent and Medway NHS and Social Care Partnership Trust (KMPT), the Gillingham Community Hub and Medway Park Sports Centre. This is part of the Council strategy to diversify the High Street offer, responding to reduced national retail and creating different attractors into the High Street for local people.

1.7. Delivery partners:

Partner	Nature of involvement (financial, operational etc.)
Medway Council	Accountable body and overall project lead, funding partner
Medway Development Company (MDC)	Delivery of the skills hub, residential development and public realm, and funding partner for residential element of the scheme

1.8. Promoting Body:
Medway Council

1.9. Senior Responsible Owner (SRO):
Sunny Ee, Head of Regeneration Delivery

1.10. Total project value and funding sources:

Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
Getting Building Fund (GBF)	£1.99m	GBF is required to deliver the project.
Medway Council / MDC Funding	£5.2m	Local Authority funding to deliver the 44 affordable homes. Full Council commitment is in place.
Total project value	£7.19	

1.11. SELEP funding request, including type (LGF, GPF, GBF etc.):

£1,990,000 of Getting Building Fund (GBF) is requested for this project.
Award of funding for this project will not contravene State Aid rules.

1.12. Exemptions:

This project is not subject to any exemptions.

1.13. Key dates:

Project development stage/activity	Start date	End date	Organisation leading this work + partners involved
Housing / Public Realm Development:			
Procure contractor	October 2020	February 2021	MDC
Pre-construction detailed design	March 2021	May 2021	MDC
Mobilise contractor	June 2021	July 2021	MDC
Start of works: Ground works	August 2021	December 2021	MDC
Complete main build phase	January 2021	January 2023	MDC
Occupation of new homes	February 2023	February 2023	Affordable housing provider
Learning, Skills & Employment Hub Development:			
Design	October 2020	December 2020	MDC
Procurement of Contractor	January 21	March 21	MDC
Mobilise Contractor	March 2021	April 2021	MDC
Works	May 2021	Jan 2022	MDC
Furnishings / IT	Jan 22	March 22	MDC

1.14. Project development stage:

Residential Development			
Project development stages completed to date:			
Task	**Description**	**Outputs achieved**	**Timescale**
Compiled planning support documents/ surveys	Topographical, transport, design and access statements, utility checks	Site due diligence and de-risking works	Reports and surveys were completed late 2018, to facilitate planning submission January 2019
Achieve planning permission	Full planning permission	Planning permission granted	Achieved 25th October 2019
Structural survey	Undertake structural surveys in order to develop structural design solution	Survey has been completed. Written report pending	Intrusive surveys completed in July 2020. Written report expected in August 2020
Contractor tender documentation	Compilation of Employers Requirements	Written and ready to enable main Contractor tender to proceed	Completed March 2018
Project development stages to be completed:			
Task	**Description**		**Timescale**
Complete structural design	Review intrusive structural survey report and develop structural strategy for construction phase		By October 2020
Compile full tender package	Complete and package tender documentation to enable main contractor to be procured.		November to December 2020
Tender period	Issue tender		December 2020 to February 2021
Detailed design and pre-start approvals, plus mobilisation	Main contractor to develop detailed design and submit building control application		March 2021 to June 2021
Complete ground works	Progress groundworks plus structural enhancements		July 2021 to November 2021
Superstructure	Progress main build		January 2022 to January 2023
Building commissioning and completions	Execute final commissioning works of new build		January 2023 to February 2023

Public Realm			
Project development stages completed to date:			
Task	**Description**	**Outputs achieved**	**Timescale**
Site Surveys	Topographical survey and utilities	Existing plan information provided to enable proposals to be developed	Completed 2018 as part of the adjacent NHS fit out
Budget appraisal	High level appraisal undertaken	Verify scope potential	Completed 2019
Early stakeholder engagement	Engagement at Gillingham High Street Forum	Engagement with local stakeholder in order to discuss future master plan possibilities.	Completed 2019 at various meetings
Project development stages to be completed:			
Task	**Description**		**Timescale**
Appoint architect	To develop public realm enhancement designs.		October 2020
Early stage concept development	Develop early stage designs for stakeholder engagement		September to October 2020
Stakeholder engagement	Plan local event to obtain feedback in respect of the concept proposals		October 2020
Final designs	Complete final designs to enable main contractor to be appointed		November 2020
Procure main contractor	Coordinate tender for main works		December to January 2021
Start capital works	Site preparation and commencement of works		February 2021
Complete capital works	Complete works and handover scheme		June 2021

Learning, Skills& Employment Hub			
Project development stages completed to date:			
Task	**Description**	**Outputs achieved**	**Timescale**
Site Surveys	Topographical survey and utilities	Existing plan information provided to enable proposals to be developed	Completed 2018 as part of the adjacent NHS fit out
Scheme review	High level design appraisal undertaken to ensure that the building can be developed and aligns with recent fit KMPT NHS fit out	Verify potential for delivery and ensure site can be developed adjacent to recent NHS fit out	Completed 2019
Project development stages to be completed:			
Task	**Description**		**Timescale**
Appoint architect and M&E consultant	To develop designs.		October 2020
Stakeholder engagement	Workshops to verify brief		September 2020
Develop designs	Design works to plan arrangements etc		October to December 2020
Final designs	Complete final designs to enable main contractor to be appointed		January 2021
Procure main contractor	Coordinate tender for main works		February 2021 to April 2021
Start capital works	Site preparation and commencement of works		June 2021
Complete capital works/decant	Complete works and handover scheme		March 2022

1.15. Proposed completion of outputs:

The delivery of the Britton Farm Redevelopment project will include the following:

- Leaning, Skills & Employment Hub built with flexible classroom space, top of the range digital equipment and a training kitchen
- Residential development of 44 new affordable homes on the BFM site
- Public realm improvements contributing to the regeneration of Gillingham High Street

GBF for all project streams is expected to be spent within the funding period of 31 March 2022.

The Learning Skills & Employment Hub is expected to be complete by March 2022, along with the public realm interventions. The residential development will complete by February 2023.

2. STRATEGIC CASE

2.1. Scope / Scheme Description:

BFM is an underused asset at the heart of Gillingham High Street. It spans from the western entrance to the High Street to over half-way along the western stretch of the road. Following the withdrawal of the mall's supermarket anchor tenant in March 2017, the mall and western stretch have suffered reduced footfall and now suffer from antisocial behaviour. Local traders have called on the Council to act quickly to prevent further High Street decline.

Getting Building Fund (GBF) will be used to provide:

- Conversion of the upper floor of Britton Farm to provide adult education, training and employability facilities including purchasing of furnishings and digital equipment to bring relevant training and skills to the area and redeveloping an old staff kitchen into a training kitchen.
- Residential development of 44 affordable homes.
- Public realm interventions.

The overall development will make a significant contribution towards:

- Increasing employment in the area and providing local people with access to employment opportunities.
- Increasing the skills base and digital mobility in the area.
- Supporting businesses to access work-ready talent.
- Accelerating housing delivery to accommodate the increasing population projected for Medway Council.
- Delivering Medway 2035 and the Skills & Employability Plan for Medway 2035.

Learning, Skills & Employment Hub:

The project will redevelop the first floor into an innovative learning, skills and employment hub which will enable the upskilling and re-training of adults to access employment. It will have top of the range digital equipment, opening up a new range of training courses, enabling residents to improve digital mobility and thrive in a post Covid19 world. There is a skills shortage in Medway and the development of this skills hub will significantly help to alleviate this problem.

Affordable Homes:

The project will deliver 44 affordable homes, which comprises a mix of one and two bed apartments which have been designed to a high standard in order to enhance this gateway site into Gillingham. 29 two bed apartments will be provided, to reflect the high demand for this type of home within the Council housing register, with the remainder being one bed apartments. There is an affordable housing need across Medway and delivery of this project will help meet Medway's housing targets.

Public Realm Interventions:

The development will also include a range of public realm interventions which will prevent antisocial behaviour that Gillingham town centre currently suffers from, and will encourage a vibrant High Street where people will enjoy living and socialising, helping to grow and provide resilience for the local economy.

Logic Map

Inputs	Outputs	Outcomes	Impacts
•Getting Building Fund Grant Spend of £1.99m •Medway Development Company Spend of £5.2m for residential development	***For all schemes:*** • 450 sqm of skills space at the Learning, Skills & Employment hub • Residential development of 44 affordable homes • Public Realm interventions	• 30 direct jobs at the Skills Hub • 48 construction jobs • 50 upskilled learners entering employment per year, totalling 780 up to 2037 •350 learners per year •44 affordable homes	•Increasing the provision of affordable housing units •Increasing employment in the area •Increasing labour market efficiency through the skills training hub, and matching learners with job opportunities •Delivering against housing and labour market needs identified in the Medway Local Plan •Safeguarding existing jobs related to the skills and employment hub •Revitalising Gillingham's High Street and enhancing footfall

2.2. Location description:

BFM is located in the heart of Gillingham town centre with one pedestrian entrance fronting the High Street. The upper floor of the Mall is unoccupied with empty units and a run-down, out-dated appearance and unattractive environment. The entrance into the Mall car park is from Jeffrey Street which is surrounded by an established residential area. There is also a third entrance to the site through a surface car park, which would be utilised by the residential element of the redevelopment scheme and parking and access for the skills hub.

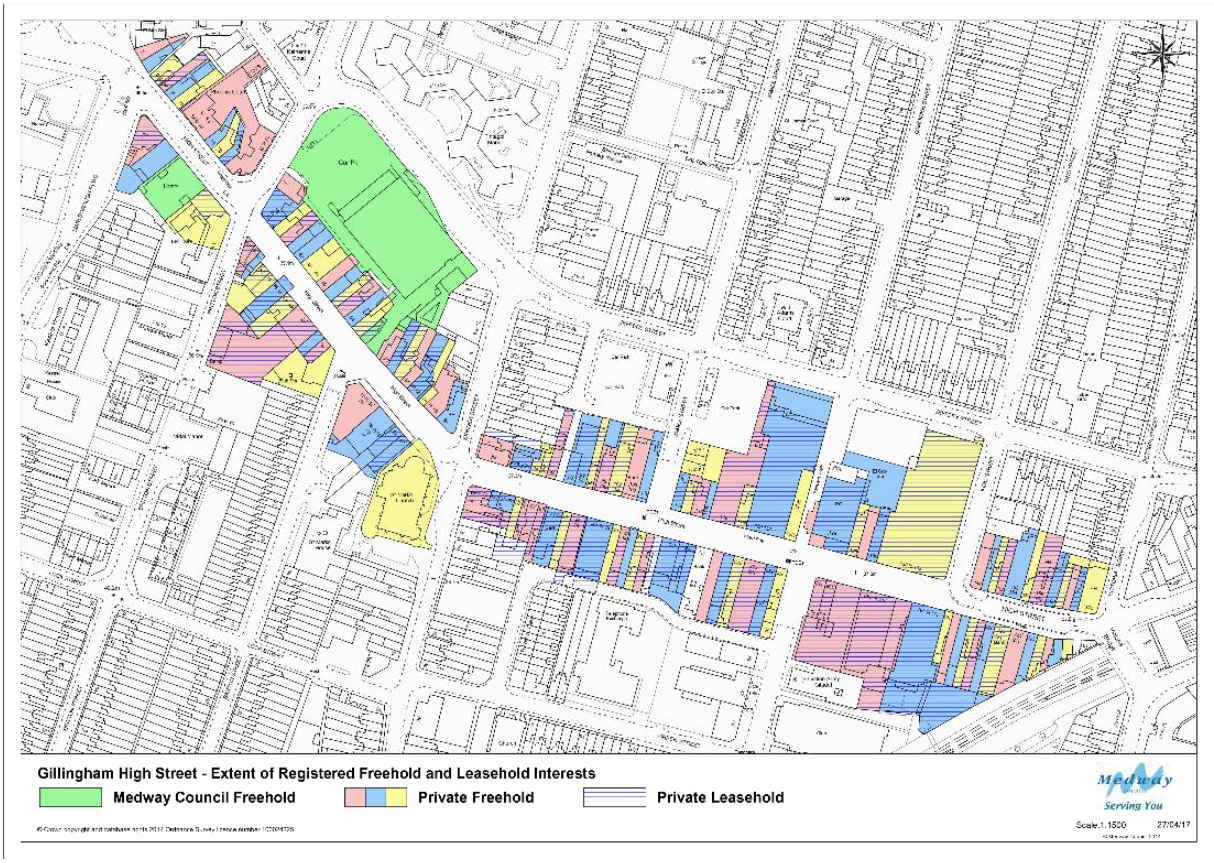


Figure 1: Location of BFM, the green area to the north.

2.3. Policy context:

Medway's emerging **Local Plan** sets out the need for circa 28,600 new homes and circa 17,000 new jobs in Medway by 2037, based on 2014 figures. The proposed vision is: "By 2037, Medway will be a leading university waterfront city of 317,500 people, noted for its revitalised urban centres, its stunning natural and historic assets and countryside". The new Local Plan will set the Council's strategic objectives and policies in order to deliver this vision for Medway, including a specific policy to support the function of centres as multi-purpose destinations and the main locations for retail, community, leisure, and employment.

Moreover, Gillingham town centre has been identified in the emerging Local Plan as one of three opportunity areas in Medway. The council commissioned consultants to produce a Gillingham Town Centre Masterplan and Delivery Strategy in 2019, to inform the evidence base and identify the main opportunities in Gillingham, with a particular emphasis on new homes in the town centre itself. The BFM site is identified in the Gillingham Town Centre Masterplan as a site for

redevelopment. The upper floor of the BFM site has been vacant since the previous supermarket tenant vacated in March 2017, and as the private sector has not been forthcoming, the site therefore requires public sector intervention. Furthermore, transformative public realm improvements at this site would significantly change the way in which the town centre functions.

Medway 2035 is Medway Council's regeneration strategy in support of the Local Plan. It encapsulates Medway's ambitious regeneration vision in six priorities. The redevelopment of Britton Farm would make a significant contribution to four of these:

- Destination and Place making – put Medway on the map as a smart and sustainable waterfront university city.
- Inward Investment – increase high-value businesses and expand high-quality employment.
- Innovation – continue to support upskilling local labour and growth of the High Street.
- Improving Employability – match business demand and skills supply.

A specific objective of Medway 2035 is that Medway Council will 'seek to sustain the vibrancy of the High Street by pursuing redevelopment opportunities to bring new communities closer to the town centre' (Medway 2035, p34).

Kent and Medway's objectives to support economic growth are set out in Unlocking the Potential: Going for Growth – a six-year growth strategy which is fully consistent with the SELEP's Strategic Economic Plan. Unlocking the Potential's main objectives are:

- Substantially increasing the delivery of housing and commercial developments.
- Delivering transport and broadband infrastructure to unlock growth.
- Delivering the skills that the local economy needs.

This project fully supports the first and third of these, as it will be the centre of Work Skills delivery for adults, aligned to business need. The proposals outlined in this Business Case will promote growth in Gillingham and will strengthen the local economy by bringing an unused asset back into use, whilst simultaneously bringing additional footfall into the High Street which will support the wider High Street.

Gillingham is situated within the nationally recognised Thames Gateway regeneration area, which is an area identified by Government as a location for growth. This project will bring forward development and will encourage growth within the Thames Gateway.

The **National Planning Policy Framework** requires that local plans should promote competitive town centre environments. It also requires local planning authorities to support town centres to generate local employment, promote beneficial competition within and between town centres, and create attractive, diverse places where people want to live, visit, and work.

This project meets the objectives of the Strategic Economic Plan by:

- Delivering employment growth helping to close the GVA gap currently experienced by Medway.
- Providing development and employment opportunities for local residents.
- Accelerating housing delivery.

Medway's Skills & Employability Plan 2035 also aligns closely with the project, meeting the priorities of:

- Matching business demand to skills supply – it will become a place where businesses can go to find a trained workforce.
- Developing Medway's talent pool – by giving adults the opportunity to re-train and upskill.
- Establishing Routes to Employment – providing opportunities for adults with barriers to the workplace.

This aligns with the **South East Local Enterprise Partnership Skills Strategy** priorities to:

- Simplify the skills landscape for employers, stakeholders, and individuals.
- Build an inclusive economy, creating opportunities for all.

This will be achieved through the creation of a distinct purpose-built Skills Hub aiming to break down barriers and upskill residents in previously unavailable courses.

2.4. Need for intervention:

BFM is in the heart of Gillingham High Street and Town Centre and is currently failing in its purpose as a retail site. It is out-dated and tired and has become an eyesore for the residents and businesses of the area. Attempts to fill vacant units have been unsuccessful due to market forces; the national changing nature and role of high streets as well as the site's unattractive environment which has attracted anti-social behaviour. There is a need to re-invent, re-imagine and re-vitalise Gillingham high street and town centre to encourage mixed uses so that it is a place that people can work, live, shop and socialise.

Gillingham High Street currently suffers from high vacancy rates (12.3%) and a lack of vibrancy. BFM has extremely low occupancy rates with the largest central unit remaining empty. The Gillingham Town Centre Masterplan highlights the need to diversify the offer in the high street, increase footfall and make it a more attractive environment. BFM is identified as one of the key opportunity sites. The redevelopment of the Mall will take this opportunity forward by creating a skills hub, residential units and improved public realm.

The Kent & Medway NHS Social Care Partnership Trust (KMPT) have been secured as the anchor tenant, and currently occupy the ground floor of BFM. Housing a Learning, Skills and Employment Hub on the first floor will complete the transformation whilst meeting the needs of the local area. Staff and learners being located in the town centre will diversify the offer of Gillingham High Street and increase footfall.

The upper floor of BFM will be redeveloped into an innovative learning, skills and employment hub which will enable the upskilling and re-training of adults to access employment. It will have top of the range digital equipment, opening up a new range of training courses, enabling residents to improve digital mobility and thrive in a post Covid-19 world.

There are existing skills shortages across Medway, with Medway lagging behind the South East at every qualification level and behind the UK average for levels 3 & 4, demonstrated in Figure 2 below. There is significant evidence to suggest that having a level 3 or higher qualification significantly increases success in life and opens up far more employment opportunities. There are significant numbers of residents with no qualifications and in a climate of a very competitive job market, it is crucial that the Council act to give Medway's residents a better chance at success.

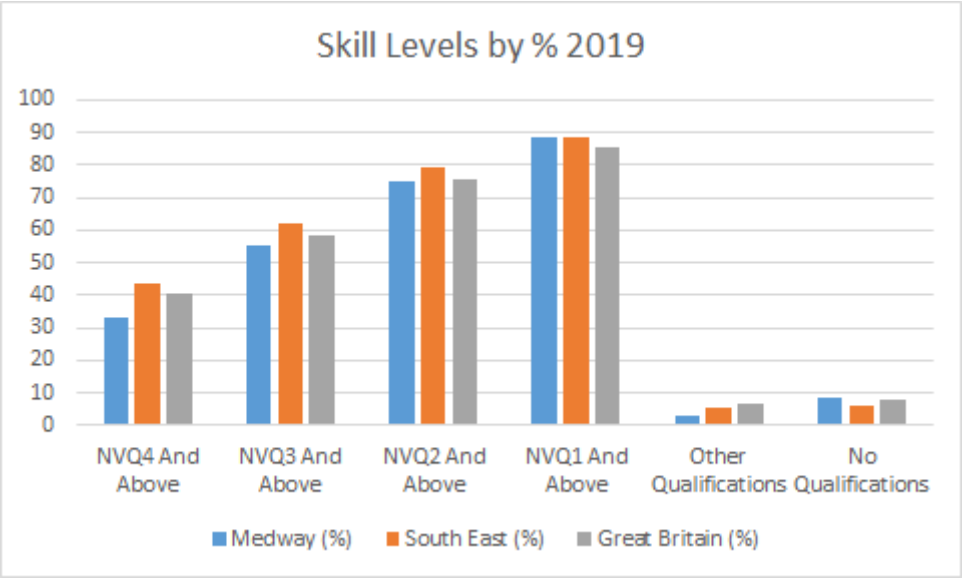


Figure 2: Skills Levels percentage in December 2019

There are existing programmes in Medway to increase basic English and Maths skills alongside general employability, however this hub will provide the opportunity to deliver completely new courses around digital skills. This will cover both basic and advanced courses, ranging from tackling digital exclusion to effectively working from home, to programming and coding. The hub will target those who have been affected by the Covid-19 pandemic and those in low paid jobs, who with the appropriate training will be able to progress, thereby opening up more entry level jobs. There will also be a focus on supporting those on zero-hour contracts, providing them with the skills to retrain to fulfil ambitions or seek more substantive work.

Covid-19 has caused most businesses to think differently about how they operate, ranging from working from home arrangements to where they are located. The skills hub will equip people with the skills that businesses need and are seeking, providing the best chance of seeking work in a changing climate, whilst giving businesses the confidence that there is a ready-made recruitment pool for them to access. The hub will play a key role in the Council's inward investment strategy, actively encouraging businesses that Medway can meet their labour needs, with bespoke training available.

There is a shortage of affordable housing across Medway. The project will deliver 44 affordable homes on the BFM site; even with the current 25% requirement for affordable home policy within Medway Council's Housing Strategy 2015-2018, there will still be a shortage. Within the Council's emerging Local Plan, it is anticipated that 28,600 homes will be required by 2037. The intervention at BFM is therefore essential to help alleviate this pressure and deliver much needed affordable homes. These homes being located in the town centre is also key to reinvigorating Gillingham High Street and increasing footfall.

Gillingham Town Centre suffers from antisocial behaviour and the proposed public realm interventions aim to reduce this, by incorporating safety measures such as CCTV and through creating a more inviting attractive environment for all visitors and local residents.

2.5. Sources of funding:

Private investment has not been forthcoming in unlocking the potential of the BFM site. The Mall has been used as a small supermarket for a number of years and is now vacant following the former occupant's inability to sustain the lease in March 2017. The site has been empty since, with little interest from private investors to reinvigorate the tired site, the underground car park or space above.

Medway Council turned to One Public Estate (Cabinet Office and Local Government Association), which has provided feasibility funding to bring forward the outline design and explore the commercial viability of a reinvigorated site, alongside the viability of KMPT and Medway NHS Foundation Trust's staff office locations. This feasibility funding was secured in 2017 and has been spent on consultants to bring the case forward, adding value and deliverability to this GBF proposal.

The remaining cost of bringing forward the proposed housing development on the site will be covered through Public Works Loan Board (PWLB) borrowing. The council has made the commitment to undertake this borrowing in order to accelerate delivery of the homes, through the Medway Development Company (MDC) and in line with their business plan. However, it is considered that if PWLB borrowing was considered for the entire package of works this would impact on the viability of the scheme and may result in the works not coming forward.

Other sources of funding considered were:

Growing Places Fund – whilst the funding required to bring forward the incubation space, public realm improvements and to enable the housing development fell within the limits set out for Growing Places Fund requests, it was decided that this was not a viable funding source as it was considered that there would be insufficient income generated through these works to meet the required repayment schedule.

Medway Council to fund the works – Medway's Medium Term Financial Strategy sets out that the Council's projections for funding and expenditure which result in a rising funding gap between 2019/20 and 2022/23, as the cost of service delivery continues to increase while funding continues to fall; since 2012/13 aggregate external funding in the form of business rates, council tax and revenue support grant will have reduced by 13% by 2022/23.

Unfortunately, the steep decline in government grant over a sustained period has meant that the Council has been compelled to draw on scarce reserves in the short term, in order to protect frontline services and does not therefore have sufficient balances to support the delivery of this scheme. In addition to Government grants the Council has, in previous years, injected considerable sums into the capital programme mainly from capital receipts and prudential borrowing. The council's robust approach to managing an ideal property portfolio restricts the availability of capital receipts so there is very limited capacity for using this source of funding.

2.6. Impact of non-intervention (do nothing):

If GBF cannot be secured to deliver the proposed redevelopment of Britton Farm, a key opportunity to address skills gaps and challenges whilst increasing digital mobility will be lost. Other benefits such as reducing social isolation, promoting healthy eating and the green economy will also be missed. Whilst Medway Adult Education (MAE) delivery will continue, there will be no possibility of increasing to the range of digital courses, or the range of healthy eating life skills courses planned. Adult Education programmes are being delivered in an existing building in Gillingham, however the current building is also a barrier to learning in of itself, as it is aging with small classrooms. The entrance is not very appealing or welcoming to new learners. In order to better serve the residents of Medway, delivery needs to take place in more local areas, particularly priority areas such as Hoo. The current lease arrangement leaves no budget for additional rent to do this. The current lease ends in August 2022, and there are no plans to renew thereafter. It is accepted that to reach more learners and deliver courses that the labour market requires, a change in facilities is required. The Council is also reviewing buildings post Covid-19 and favours the option of utilising Council owned assets and reinvesting rent in Council services, as opposed to paying external Landlords.

If the redevelopment is not forthcoming, this would result in the KMPT on the ground floor of Britton Farm operating in an outdated and run-down environment and would potentially exacerbate the issue of anti-social behaviour and an unattractive High Street environment, as the public realm interventions would not be delivered.

Without GBF funding, the 44 affordable homes would not be delivered, the contribution of GBF to this element is gap funding to enable the delivery of these homes.

2.7. Objectives of intervention:

The Britton Farm Redevelopment Learning, Skills & Employment Hub project strongly aligns with the specific objectives and priority interest areas for Getting Building Funding as set out by the Ministry of Housing, Communities and Local Government (MHCLG), detailed in the tables below.

Objective 1: **Growth and Jobs**	The Learning, Skills & Employment Hub will work with Economic Development to fill recruitment needs for new and existing businesses across Medway including sites such as Innovation Park Medway. This package of services will attract new businesses and encourage growth with new jobs in the area. It will also tackle skills shortage areas and upskill and retrain residents to a wide variety of sectors.
Objective 2: **Green Recovery**	This redevelopment will support green recovery, as sustainability will be central to both the building itself and all delivery. The principles of green living will be embedded into all classes and specific training and lessons on green living will also be delivered.

Priority Interest Area 1: **Modernising Town and City Centres**	Re-purposing the upper floor of Britton Farm, an unused asset, into an education hub, will act as a major catalyst in regenerating Gillingham town centre. It will draw footfall to the area and diversify the current High Street offer. Public realm improvements will transform the town centre into an attractive environment which will increase dwell time.
Priority Interest Area 2: **Physical infrastructure to improve the local economy**	The physical infrastructure of the skills hub, public realm improvements, and residential development will improve the local economy, as it will draw in footfall to the town centre and upskill the local workforce to enable them to access employment opportunities.
Priority Interest Area 3: **Human Capital including business support**	Human capital will significantly improve as the skills hub will be focused on supporting people to re-train and re-enter the job market. There will be a wide range of course areas available to help people reach their potential. Courses will also be designed to tackle social isolation and improve resident's mental health and wellbeing.
Priority Interest Area 4: **Innovation ecosystem**	The skills hub will be an innovative education hub, designed with flexible classroom space and state of the art digital equipment. A fully equipped training kitchen will help meet a variety of community needs, from supporting business start-ups to reducing food waste and teaching life skills.
Priority Interest Area 5: **Digital connectivity**	Learners have opportunity to access top of the range digital equipment that they would not otherwise have. There will be potential to run a device loaning scheme, enabling more residents to access learning and improved connectivity. A wider array of digital courses will be offered to residents, improving digital skills across Medway, which is particularly important in post-Covid19 recovery and increased homeworking.

Project Objectives:

1. **Revitalise Gillingham High Street**

Gillingham town centre has been identified in the emerging Local Plan as one of three opportunity areas in Medway. The Council has commissioned consultants to produce a Gillingham Town Centre Masterplan and Delivery Strategy to inform the evidence base and identify the main opportunities in Gillingham, with a particular emphasis on new homes in the town centre itself. The Masterplan has identified the Britton Farm site as one which requires public sector intervention. The Masterplan identifies transformative public realm improvements, which would be delivered as part of this redevelopment to change the way the town centre functions.

2. **Increase housing supply in Medway**

This supports Medway's emerging Local Plan which sets out the need for circa 28,600 new homes and circa 17,000 new jobs in Medway by 2037. The proposed vision is: "By 2037, Medway will be a leading university waterfront city of 317,500 people, noted for its revitalised urban centres, its stunning natural and historic assets and countryside." The new Local Plan will include a specific policy to support the function of centres as multi-purpose destinations and the main locations for retail, community, leisure and employment. The Britton Farm redevelopment project includes delivery of 44 affordable homes in Gillingham Town Centre.

3. **Increase job supply in Medway**

This project meets the objectives of the South East Strategic Economic Plan and Medway 2035 by delivering employment growth helping to close the GVA gap currently experienced by Medway and by providing development and employment opportunities for local residents.

4. **Support innovation via the creation of a cutting-edge Learning, Skills & Employment Hub**

This project meets the objective of innovation, as innovation will be at the heart of everything delivered at the hub. Classrooms will be designed to provide flexible and collaborative space, allowing learners to focus on learning. It will benefit from an innovative partnership with Economic Development, enabling bespoke training for businesses as they grow or relocate in Medway. It will benefit from cutting-edge digital equipment, providing opportunity for creativity and nurturing entrepreneurship.

Problems the project is seeking to address:

Problem 1: Failing site in the heart of Gillingham High Street which needs to be regenerated:

BFM is in the heart of Gillingham High Street and Town Centre and is currently failing in its purpose as a retail site. It is out-dated and tired and has become an eyesore for the residents and businesses of the area. Attempts to fill vacant units have been unsuccessful due to market forces; the national changing nature and role of high streets as well as the site's unattractive environment which has attracted anti-social behaviour. There is a need to re-invent, re-imagine and re-vitalise Gillingham high street and town centre to encourage mixed uses so that it is a place that people can work, live, shop and socialise.

Problem 2: Declining footfall and spend in High Street and town centre and lack of diverse economic base:

Gillingham High Street currently suffers from high vacancy rates (12.3%) and a lack of vibrancy. The upper floor of the BFM site has remained empty since the site was vacated by the previous tenant. The Gillingham Town Centre Masterplan suggests the need to diversify the offer in the high street, increase footfall and make it a more attractive environment. BFM is identified as one of the key opportunity sites. The redevelopment of the Mall will take this opportunity forward by creating a skills hub, residential units, and improved public realm. The creation of jobs and homes will further drive footfall to the Town Centre.

Problem 3: High unemployment rates and low skills, especially digital skills:

Unemployment in Medway is amongst the highest in the South East. During the initial lockdown period, all of MAE delivery moved online. It was very clear that digital skills in the existing customer

base were typically very low, with learners particularly at lower levels struggling to effectively access online learning. This is echoed by education partners, such as school and college and has been recognised nationally by the ESFA, demonstrated by the fact that digital skills are considered as important as English and Maths and are funded as such. The South East LEP manages the South East Digital Skills Partnership, which has agreed priority areas for the South East. The hub will firmly contribute to the priority - 'Preventing our most vulnerable residents from facing increased digital and societal exclusion thanks to a lack of digital skills and connectivity'.

	Problems / opportunities identified in Need for Intervention section		
	Problem 1: Failing site in the heart of Gillingham High Street which needs to be regenerated	**Problem 2: Declining footfall and spend in High Street and town centre and lack of diverse economic base**	**Problem 3: High unemployment rates and low skills, especially digital skills**
Objective 1: Revitalise Gillingham High Street	✓✓✓	✓✓✓	✓
Objective 2: Increase Housing Supply in Medway	✓✓✓	✓✓	0
Objective 3: Increase Job Supply in Medway	✓✓	✓✓	✓✓✓
Objective 4: Support innovation via Skills Hub	✓✓✓	✓✓✓	✓✓✓

2.8. Constraints:

The Covid-19 pandemic is a potential constraint to the scheme; however, works are planned to start mid 2021 when it is hoped that the pandemic will have reduced or will be effectively managed. Within MDC's construction plan, MDC will ensure that these constraints are managed, and the Construction industry has managed to continue to operate through the lockdown. There is sufficient time to accommodate distanced working arrangements, already built into the programme if required.

One other aspect MDC will manage is the delivery of the fit out and residential schemes which are adjacent to each other as well as the importance of working next to occupied buildings. These aspects will be reviewed to ensure that the projects can be delivered as effectively as possible and in an efficient way that minimises disruption to the adjacent buildings.

2.9. Scheme dependencies:

The proposed schemes are closely linked including the interdependency of the recently completed KMPT fit out. The Council have already reviewed each project including future access and parking requirements to ensure that each project is aligned and can be delivered. A key part will be engaging with the NHS and the Council have formed excellent working relationship with them.

MDC have recently discussed the forthcoming projects and will engage with them at the appropriate time.

The delivery of the schemes is dependent on funding through GBF in order to deliver the project, which in its entirety will help to transform the centre of Gillingham.

2.10. Expected benefits:

Medway Council expect to achieve the following outcomes and benefits as a result of GBF investment:

Higher local skills base – The new Learning, Skills & Employment hub can accommodate 350 learners per year. MAE will be running entry level courses, bringing people from no qualifications or very low qualifications to level 2, which will make a huge difference to their life chances of work success. A good example is childcare, where any childcare requires a level 2 qualification. MAE will also be running level 3 and 4 courses, which gives someone an equivalent to a foundation degree, significantly increasing the skills base in the area. Courses will be designed in consultation with business in order to meet labour market need or will be delivered in subjects where there is a proven and reliable route to the workplace. At the end of every course, opportunities for progression to a higher level will be considered and discussed with the learner.

New Jobs – Through the delivery of the skills hub on the site an estimated 30 jobs will be directly delivered. There will be approximately 48 construction jobs as a result of delivering these works, as well as a number of supply chain jobs. The skills hub will also indirectly deliver 50 jobs per year, through linkages between the Learning, Skills & Employment Hub the Medway Council Economic Development Team, totalling 780 jobs up to 2037.

As a result of the redevelopment of BFM there will be increased footfall in the High Street, particularly at the western end, as a result of bringing skills hub staff into the High Street, as well as the residents of the 44 affordable homes. It is expected that this will add impetus to the local economy and will encourage businesses to bring disused town centre premises back into use, thereby creating new jobs. In January 2020 there was a vacancy rate of 12.3% in Gillingham town centre. It is expected that through the GBF investment this figure will reduce over the two-year period after project completion, bringing forward additional retail jobs.

Safeguarded Jobs – In addition to the creation of new jobs this project will directly safeguard a number of jobs in Gillingham town centre, through the increased financial sustainability of the western stretch of the High Street. It is expected that at least 50 jobs in this section of the High Street will be safeguarded as a result of these works.

High Street viability – Completion of the works outlined in this Business Case will lead to increased footfall on the western stretch of the High Street. As indicated, it is expected that this will boost the local economy through increasing levels of trade in this section of the High Street. It is anticipated that the economic benefits will be felt across the entire length of the High Street, resulting in a much-strengthened commercial environment which attracts greater loyalty from local residents and increased investment from the private sector. This combination will significantly enhance the long-term economic viability of Gillingham High Street. The public realm improvements will also help to reduce antisocial behaviour and crime in the town centre.

2.11. Key risks:

Description of risk	Risk Impact (1-5)	Risk Likelihood (1-5)	Risk Mitigation action	Risk owner
Unexpected ground obstructions	3	2	Complete ground surveys (these have recently been executed).	MDC
Working adjacent to an occupied building	2	2	Engagement with NHS.	MDC
Site security	3	4	On site security guard and security review.	MDC
Working in a public environment	3	2	Engage with stakeholders and implement robust health and safety measures.	MDC
Covid19 may affect construction	3	2	Healthy and Safety measures in place including, social distancing where possible and PPE. Construction completion timescale should align with post-Covid19 recovery.	MDC

A detailed risk register is included at Section 5.4.

3. ECONOMIC CASE

3.1. Options assessment:

Medway Council has developed a long list of options to comprehensively reshape BFM and transform how residents, workers, and visitors interact with the underutilised asset. The options examined include:

1. **The Counterfactual –** the "do nothing" option represents the continuation of existing conditions and explores the baseline case were no other action to be taken on site. The counterfactual option serves as the comparator against which the benefits of other options will be assessed. In this instance, the counterfactual would see MAE Services delivered by Medway Council from Canterbury Street until August 2022, when the present lease finishes. At present the Council does not intend to renew its lease. The facility is ageing, has small classrooms, and an unappealing entrance. This is limiting the teaching capacity and acts as a barrier to improved learning and skills development in Medway. The costs associated with occupation at Canterbury Street limit the service deliverability. The current private landlord lease arrangement restricts the budget for the services and limits expansion of learning and skills development services to more Medway residents.

   BFM was unoccupied from March 2017 until July 2020, when the ground floor has recently become occupied by the Kent and Medway NHS and Social Care Partnership Trust (KMPT), providing essential mental health and social care services to local residents. The Mall's current upper floor vacancy and appearance does little to attract investment and footfall to the town centre. While Medway Council had previously explored selling the upper unit of the Mall for commercial occupation, sufficient market interest for private occupation or redevelopment could not be established. Furthermore, low land values and the presence of abnormal costs (i.e. demolition of the mall) prevent market interest in pursuing the site's redevelopment for residential purposes. Under the counterfactual scenario, no residential development is expected on the loading bay site adjacent to the Mall and it is likely that the Mall itself will remain in Medway Council's ownership.

2. **Public Realm Only –** this option focusses on aesthetic improvements external to the centre and their likely influence on development. Investment is mainly concentrated on the area surrounding the Mall. Gap funding is required for interventions which could include additional lighting, enhanced streetscape and landscaping, CCTV, cycle stands and improvements to the cladding and façade of the building. Funding is also required for repairing defects to the overhanging roof and drainage. On their own, public realm improvements would be expected to create a more attractive and safer setting in what is a currently unwelcoming part of Gillingham. In turn this is likely to increase footfall and improve business confidence in the local area. As a result, the proposed improvements may stimulate wider economic activity through raised land values.

3. **Learning, Skills and Employment Hub Only –** this option includes reconfiguration of the upper floor of the BFM to create a new 450 sqm Learning, Skills and Employment Hub, replacing long-term vacant retail space. The Learning, Skills and Employment Hub will contain flexible classroom space, modern and high-quality digital equipment, and a training kitchen. The technology assets and classroom space will enable a range of courses and skills to be taught, upskilling and retraining learners so that they may be better equipped to fill available job opportunities in the local and regional economy. Medway Council estimate that the new, larger facility could deliver skills training to 350 learners per year and successfully match up to 50 learners with job opportunities per annum. The majority of the 350 learners will be new

learners, of which at least 50 learners will be additional. Funding is required to overcome the costs associated with redeveloping the space to meet modern learning and teaching requirements. By redeveloping the space, the Council would be utilising Council owned assets and reinvesting any rent in Council services as opposed to paying external Landlords.

4. **Housing Only –** This option entails the development of 44 affordable homes on the footprint of the loading bay adjacent to the Mall. Gap funding is required to overcome the cost of developing the entire block as affordable housing.

   As established in the Strategic Case, housing development in Gillingham, particularly for affordable housing, is constrained by local land values. In addition, Medway's emerging Local Plan identifies a need for circa 28,600 new homes and circa 17,000 new jobs by 2037. Investing now in the development of vacant land next to the BFM building on the BFM site, into an affordable housing redevelopment, will help achieve these objectives.

5. **Maximum Development –** This option combines options 2, 3 and 4, i.e. improvements to the public realm surrounding the Mall, reconfiguration of the 450 sqm upper floor unit as a new Learning, Skills and Employment hub, and delivery of 44 new residential units on the vacant loading bay adjacent to the Mall.

Options assessment:

The long list options are assessed in terms of their ability to deliver against project objectives and whether they meet identified Critical Success Factors (CSFs). A score between 0 and 3 is assigned to each option in accordance with that option's ability to further each key objective. A score of 3 means that option is likely to achieve the corresponding objective. A score of 0 means that the option is unlikely to achieve the objective. The aggregate scores are then used to rank the options in terms of their ability to deliver against objectives.

As detailed in the Strategic Case, the project has the following objectives:

1. Revitalise Gillingham High Street, in particular the western stretch, via new facilities and enhanced footfall.
2. Increase housing supply in Medway.
3. Increase job supply in Medway.
4. Support innovation via the creation of a cutting-edge skills hub.

The matrix below considers the long list options and their strategic fit with project objectives. A commentary is then provided on each options merit's with respect to each objective.

Table 1 – Option performance against project objectives.

No.	1	2	3	4	5
Option/ Objective	Counterfactual	Public Realm Only	Skills and Employment Hub Only	Housing Only	Maximum Development
Revitalise Gillingham High Street	0	2	1	2	3
It is expected that all options, apart from the Counterfactual, would contribute to the revitalisation of the Gillingham High Street. Public realm investment will improve safety and the experience of walking and cycling through the High Street. In turn it is expected that this would help to create a more attractive living and working environment that would complement new					

No.	1	2	3	4	5
Option/ Objective	Counterfactual	Public Realm Only	Skills and Employment Hub Only	Housing Only	Maximum Development
and existing housing and workspaces. While the Learning, Skills and Employment Hub will be internal to the Britton Farm building, it is expected that greater levels of learners and staff accessing the Hub will contribute to the revitalisation of the High Street. Likewise, additional residents in the town centre from new housing will help to increase local spend. Therefore, on their own these interventions are likely to have their individual positive impacts on the town centre, but as a collective development they will help to comprehensively revitalise Gillingham High Street through combined higher levels of footfall and commensurate spend.					
Increase housing supply	0	0	0	2	3
Only options 4 and 5 contribute to increased housing supply in Medway. The affordable housing units will help address the identified need for housing as detailed in Medway's Local Plan. Enhancing the public realm and/or delivering the skills hub, while beneficial, will not serve to achieve this objective. However, it is expected that in the absence of public realm improvements, the housing and Skills Hub development are likely to be less attractive, leading to lower levels of footfall in the area.					
Increase job supply	0	0	2	0	2
Options 3 and 5 directly address the objective of increasing job supply in Medway through the delivering the Learning, Skills and Employment Hub. The new Hub will support operational employment in the form of its instructors and staff. It will also serve to retrain and upskill workers and match newly skilled job seekers with existing opportunities in local and regional labour markets.					
Support innovation	0	0	2	0	3
Options 3 and 5 are the only development options which support innovation in the local economy. The Skills and Employment Hub will provide digital training courses and learning opportunities to local users, broadening their capabilities, and providing a forum for collaboration and engagement between users and educators.					
Total Score	**0**	**2**	**5**	**4**	**11**
Rank	**5th**	**4th**	**2nd**	**3rd**	**1st**

In addition to the project objectives, Medway Council has also considered how each option performs against a set of CSFs. The CSFs established for this project are:

1. Strategic fit with project objectives,
2. Value for money.
3. Ability to secure funding (affordability).
4. Logic, practicality, and deliverability.

A 0-3 scoring matrix approach has been used to score options with regard to how they perform against the CSFs. The commentary in the table explores the merits of the various development options.

Table 2 – Option performance against Critical Success Factors.

No.	1	2	3	4	5
Option/ Objective	Counterfactual	Public Realm Only	Skills and Employment Hub Only	Housing Only	Maximum Development
Strategic fit	0	1	2	1	3
It is expected that all of the options, apart from the counterfactual, will support at least some of the strategic project objectives. Public realm enhancements will help revitalise Gillingham's High Street through new lighting, streetscape, landscaping, and improvements to building façade. The improvements are expected to encourage higher levels of footfall, encourage longer dwell times and spend. Delivery of the Learning, Skills and Employment Hub increase job supply and support innovation within the local economy. Delivering the residential element will help address housing need in Medway and may contribute to the revitalisation of Gillingham's High Street through higher levels of footfall and spend. Through agglomeration affects and possibly the self-employed it may be the case that the increase in residential development would support an increase in the supply of jobs in Medway, however these are likely to be indirect (wider) effects that are not monetised in this Case. As shown, on their own these options do strategically fit with the objectives of the project as well as wider local and regional objectives. On its own, new housing will stimulate footfall and spend. So too will the new Learning, Skills and Employment Hub with an increased number of staff and leaners. However, as a combined project, the Maximum Development option provides the greatest degree of strategic fit by holistically tackling the project, local and regional objectives.					
Value for money	0	1	2	2	3
All options apart from the counterfactual will deliver some value for money. Enhancing the public realm will deliver a small scale of overall value to Gillingham in the form of improvements to the amenity of the High Street to stimulate footfall and business confidence. Delivering only the Skills and Employment Hub would transform a presently underutilised site into a valuable local asset which will enhance the economic opportunities for users. However, this option would miss out on key opportunities to create a more impactful and diversified housing offer in Gillingham. The housing only option would achieve moderate value for money by delivering additional affordable residential units, of which there is an identified need within Medway. The maximum development option achieves the greatest value for money through the delivery of a mixed-use development which incorporates enhancements to the public realm, a new Learning, Skills and Employment Hub, and 44 new affordable residential units. This option will result in the greatest impact and transformational change.					
Affordability	3	2	2	3	2
The counterfactual option, i.e. where no additional intervention at BFM is proposed, is most affordable as it involves no additional spend. The options which entail some development are all deliverable within the project budget should gap funding be acquired. However, project elements such as the housing delivery which are expected to generate an income for Medway Council could be classed as more affordable than public realm that will generate not direct rent or income to the Council. Optimism Bias of 30% has been applied to the project costs in the Economic Case to reflect the current stage of project costs.					
Deliverability	3	3	3	2	3
All options are considered to be deliverable. Delivering only the Learning, Skills and Employment Hub or the housing units would fail to address key issues and objectives regarding the BFM site. Therefore, on their own, they are deemed to be less deliverable than the maximum intervention option which will leverage synergies associated with a holistic					

No.	1	2	3	4	5
Option/ Objective	Counterfactual	Public Realm Only	Skills and Employment Hub Only	Housing Only	Maximum Development
transformation of the site. MDC is confirmed to have the resources and skills necessary to deliver the project.					
Total Score	**6**	**7**	**9**	**8**	**11**
Rank	**5th**	**4th**	**2nd**	**3rd**	**1st**

As can be seen in both matrices Option 5 (maximum development) performs the best against the strategic objectives and the critical success factors.

Long List Assessment

Following an assessment of the long-list options against the project objectives and CSFs, a further qualitative assessment has been carried out to establish the most suitable option to carry forward for a Value for Money (VfM) assessment.

1. **The Counterfactual**–the "do nothing" scenario where no investment is directed to BFM represents continuation of current conditions. This option does not achieve any of the key objectives and therefore receives an aggregate score of zero as shown in Table 1. The counterfactual option was found to satisfy some of the CSFs by virtue of the fact that it is both affordable and deliverable. However, this option would result in no improvement to the local area or development of the local economy and would therefore not achieve any of the strategic objectives. This option has been carried forward to the short list to serve as the baseline against which the other short list options will be measured.

2. **Public realm only** – this option would support the strategic objective to revitalise Gillingham's High Street, but the level of aesthetic investment proposed will be insufficient to stimulate housing or commercial development on the site. As a result, the option is not expected to support innovation in the local economy (see Strategic Case). Although the option is expected to improve the experience of a limited number of existing users, it will not drive the comprehensive redevelopment. Consequently, the option has been discarded from further assessment because of its performance against the project objectives, CSFs, and its inability to drive housing and employment growth in Gillingham.

3. **Learning, Skills and Employment Hub only** – on its own this option addresses some of the project objectives, including the revitalisation of Gillingham High Street through increased footfall, increasing the supply of jobs in the labour market and supporting innovation within the local economy. This will be achieved through the ability to better match training and education programmes with the skills sought by employers for job opportunities within the local economy. The Skills and Employment Hub will support growth in the digital and creative sectors in Medway through additional training opportunities to learn and upskill, fostering collaboration and innovation in the labour market. In addition, this option will allow the Council to maximise the value of public assets for public benefit.

   However, this option does not contribute to the delivery of additional housing units in Gillingham. The Learning, Skills and Employment Hub only option performs well against the objectives to increase job supply and support innovation in the workplace through upskilling Medway's residents. However, the options inability to deliver the comprehensive redevelopment of BFM or contribute to Gillingham's housing supply means that it has not been carried forward for further assessment and analysis.

4. **Housing only** – This option would support the key objectives of revitalising the Gillingham High Street by increasing the residential population in the town centre. The additional residents will contribute to enhanced footfall and the growth of the town centre community. It is expected that additional retail spends associated with the residents will support local businesses and retail jobs.

   The option will contribute to increasing the housing supply in Medway but would not directly contribute to an increase in the supply of jobs. As a result, it is not expected that the option on its own would support innovation within the local economy, receiving an aggregate score of four with respect to the key project objectives. The housing only option performs moderately well against most CSFs but receives a low score on the overall strategic fit. This option also does not align with the overall objectives of Getting Building Funding projects. The consequence of its combined score against the key project objectives and low degree of strategic fit allows this option to be discarded from further assessment.

5. **Maximum Development** – this option supports each of the project objectives to a high degree and performs well against each of the CSFs. The enhanced public realm will contribute to the revitalisation of Gillingham High Street through new lighting, enhanced streetscape & landscape, and improvements to the building façade. The delivery of new accommodation units will increase the housing supply in Medway, addressing an identified need for additional residences.

   The reconfiguration of the vacant upper floor unit in BFM into a new Skills and Employment Hub will help to increase the job supply in the local labour market and support innovation. Based on information from the existing Adult Learning Centre at Canterbury Street, Medway Council estimates the new, larger facility could deliver skills training to 350 learners per year and successfully match up to 50 learners with job opportunities per annum. At least 50 learners will be additional to the existing MAE cohort.
   Furthermore, this option will allow the Council to maximise the value of public assets for public benefit, rather than paying private sector rents to operate services. Because of the option's strong performance against the key project objectives and critical success factors it has been carried forward for further assessment and analysis.

3.2. Preferred option:

Given the 'shovel ready' objectives of the Get Building Fund and that the Maximum Development Option meets the required funding criteria, only Option 5 (Maximum Development) has been taken forward for a Value for Money assessment, as the preferred option.

This option performs best against the key project objectives as well as the Critical Success Factors, ensuring it will support the achievement of local and regional policy objectives (See Strategic Case).

The Maximum Development option will make significant contributions toward:

- Increasing the provision of affordable housing units.
- Increasing employment in the area.
- Increasing labour market efficiency through the skills training hub, and matching learners with job opportunities.
- Delivering against housing and labour market needs identified in the Medway Local Plan.
- Safeguarding existing jobs related to the skills and employment hub.
- Revitalising Gillingham's High Street and enhancing footfall.

The mixed-use development will support the transformation of the High Street through new homes and upgraded public realm which will increase the attractiveness and viability of Gillingham as a place to live and work. Furthermore, the skills and employment hub will support adult learners and increase the resilience of the labour market by matching learners with local and regional employment opportunities. The increased resilience is important to the vibrancy and viability of local economic activity and will be a component to Medway's ability to recover from the reduction in economic activity resulting from the Covid-19 pandemic.

3.3. Assessment approach:

The assessment provides a clear and transparent account of the project's costs and benefits in order to clearly demonstrate value for money. A 10-year quantitative assessment of Gross Value Added (GVA) has been undertaken, which includes:

- Short-term construction employment
- Long term employment supported by:
    - the Learning, Skills and Employment Hub
    - increased resident spending from new housing units.

Costs and benefits are discounted at the standard 3.5% discount rate as described in HM Treasury Green Book. A Benefits-Cost Ratio (BCR) is calculated using present value benefits against present value costs to derive a measure of the value for money and impact of the project. Project costs include the capital costs associated with:

- Public realm improvements.
- Refurbishment of the upper floor unit at BFM into the Learning, Skills and Employment Hub.
- Development of 44 affordable housing units. Note, this is split into the 'gap funding' required from the fund and the follow-on investment of delivering the housing by MDC.

Delivery of the project will also induce non-monetised benefits. Specifically, the Learning, Skills & Employment hub will facilitate efficiencies in the local labour market by providing skills training courses and matching newly skilled job seekers with opportunities. Given the track record of the current skills and employment hub, Medway Council estimates that 350 learners will receive skills training per year, with some 50 candidates estimated to be successfully matched with jobs every year. These are jobs which will come forward from key sites such as Innovation Park Medway, within the local and regional labour market and are therefore not newly created opportunities. As a result of uncertainty around which jobs may be filled through the Learning Skills and Employment Hub the economic benefits have not been quantified as part of this Economic Case.

However, it is expected that there would be an increase in economic activity/productivity as a result of removing constraints on the local and regional labour market, which may be currently discouraging businesses from moving to or expanding in the area. In addition, a number of qualitative benefits are expected to be realised for local residents and businesses, including a general upskilling of the labour force, better job matching leading to reduced hiring costs for businesses, and enhanced interaction between the public and private sectors.

It is expected that the new Learning, Skills & Employability Hub will track the success that it is having in upskilling local people and matching them with new jobs.

3.4. Economic appraisal assumptions:

Although GBF schemes under £2m are not required to complete a full economic appraisal, this has been undertaken for this project.

A number of appraisal assumptions underpin the overall economic assessment of the project options and take into consideration the context of the local area and economic dynamics in order to refine the estimated impacts of the project. These additionality assumptions include:

Deadweight – Deadweight is a measure of the level of development which would occur in absence of intervention, i.e. the outcomes which would be expected without the proposed project going forward.

Leakage – Leakage is a measure of the extent to which benefits 'leak out' of the project area, e.g. the level of employment which is taken up by workers not from the local area.

Displacement – Displacement is a measure of the extent to which an increase in economic activity stimulated by an intervention is offset by a reduction in economic activity elsewhere, i.e. the degree to which the economic impacts are net additional rather than a relocation of existing economic activity.

Multiplier – a Type II economic multiplier is a scalar figure which is used to estimate the direct, indirect, and induced economic impacts of the intervention. The direct effects are the impacts generated from the investment in the project which supports construction employment, as well as any operational employment, and the GVA generated by these employment positions. The indirect and induced economic effects are estimates of the supply chain effects resulting from increased spending in the local economy stimulated by the investment in the project.

The local (Medway Council area) additionality assumptions for the BFM project are detailed in the table below:

Table 3 – Additionality Assumptions

Factor	Construction	Operation
Deadweight	Represented by the Counterfactual. Figures presented in the Economic Assessment are net additional.	
Leakage	20%	10%
	A significant proportion of construction jobs are likely to be sourced in the Council area. Some specialist skill requirements may be met from outside Medway.	The local nature of the services provided means there is unlikely to be much leakage outside the Medway Council area.
Displacement	10%	25%

	Medway Council has an extensive construction labour market with an estimated 6,000 people employed. Therefore, a low level of displacement has been applied.	The development of modern learning and teaching facilities in Medway may displace other potential learning opportunities. Therefore, a moderate level of displacement has been applied.
Multiplier	1.78	1.33
	80% of national construction multiplier	80% of national education multiplier

3.5. Costs:

The gap funding requirements are detailed in the table below. Although not specifically requested, optimism bias of 30% has been added to the project costs to account for uncertainties in the cost estimates prepared by the contractor or unforeseen cost inflation related to potential scheme design changes.

Table 4 – Capital Costs

Element	Core Costs	Costs Inc. OB.	NPV Costs Inc OB
Public Realm Improvements	£300,000	£390,000	
Skills and Employment Hub	£750,000	£1,222,000	
Housing viability gap funding	£940,000	£390,000	
Total	**£1,900,000**	**£2,587,000**	**£2,493,146**

- In addition to the gap funding requirements, MDC will also be investing in the development of 44 affordable housing units at a cost of £5.2 million (£4.96m discounted). This has been accounted for as 'follow-on' investment as part of an Adjusted Benefit Cost Ratio (BCR) detailed later in this case. Sunk costs have not been included. Inflation has only been applied to parameters where 2020 values are not available. Where this has been the case, we have used the GDP Deflator to estimate turnover per employee and retail spend. The figures presented include overhead and uplift assumptions.

3.6. Benefits:

An economic impact model has been prepared to assess the project benefits associated with each of the Maximum Development option over a period of 10 years (2020 – 2030). Where appropriate, costs and benefits have been discounted in line with best practice guidance at a rate of 3.5% a year. All impacts are presented as 'net additional' i.e. the counterfactual or do-nothing option has been deducted. The model has assessed:

Construction effects: employment and Gross Value Added (GVA) from the reconfiguration construction phase of the project and the expected construction of follow on housing development by MDC.

Gross short-term construction employment has been calculated by dividing the total cost of gap funding investment, plus the follow-on investment made by MDC, by the estimated turnover per construction employee in the South East - £204,706. Net construction employment has then been calculated by applying the additionality assumptions presented in Table 3. Net construction employment has then been multiplied by the GVA per construction employee in the South East - £72,128 to establish related construction GVA. The results have then been discounted.

Operational effects: employment and GVA from the operational phases of the Skills and Employment Hub and additional household expenditure from the new residents.

Medway Council know that the new Skills and Employment Hub will directly employ 30 staff, 10 more than the existing Adult Learning Centre. Additionality assumptions presented in Table 3 have been applied to the number of additional employees. To estimate the gross GVA stimulated by the additional staff, the net number of employees (i.e. after additionality has been applied), has been multiplied by the GVA per average public service employee in the South East - £74,731. The results have then been discounted.

To estimate the impact of new residents, a household additionality factor of 75% has been applied to reflect residents already living in the Medway Council area. The residual has then been multiplied by the weekly household retail spend for the South East - £351. To reflect the location and tenure, weekly household spend has been reduced by 15%. The estimated discounted spend over a 10-year period equates to £1,298,299.

To estimate the economic benefit of this additional spend, the total has been divided by the estimated turnover per retail employee in the South East - £125,766. The number of retail jobs has then been multiplied by the GVA per retail employee in the South East - £45,995. The results have then been discounted.

Table 5 – Summary of Net Additional Economic Benefits

Net Additional Construction Jobs	49
Net Additional Construction GVA	£3.36m
Net Additional Operational Jobs	21
Net Additional Operational GVA	£8.37m
Net Additional Retail Jobs	1
Net Additional Retail GVA	£0.47m
Total Net Additional GVA	**£12.20m**

Option 5 – Maximum Development is therefore anticipated to generate a net additional economic benefit of £12.20million for the local economy.

3.7. Local impact:

It is anticipated that Option 5: Maximum Development will yield a number of positive impacts within the local economy, including:

- **Construction employment** – the capital investment required to develop the public realm improvements, deliver the affordable housing units and refurbish the upper floor unit of BFM into the Skills and Employment Hub will support short-term construction employment in the local economy. It is expected that construction contracts let for the reconfiguration of the Mall and construction of housing and related public realm will include community benefits clauses that will require contractors to support local employment and apprenticeships.

- **New operational employment opportunities** – The new Skills and Employment Hub will be able to support more teachers and operational staff than is currently possible within the present arrangements. In addition, the new lease arrangements will allow Medway Council to maximise the use of local Council owned assets for the delivery of local services.

- **Increased provision of affordable accommodation units** – the delivery of 44 new affordable accommodation units will help to address the identified need for affordable accommodation in Medway.

- **Increased local spending** – the residents who will occupy the new accommodation units are expected to generate additional footfall and related spending in the local area, supporting additional retail jobs and generating additional GVA.

Table 6 - Local Economic Impact Summary

Option 5 Maximum Development	
Net Construction Jobs	48.8
Net Construction GVA	£3,356,172
Net Operational Jobs	20.6
Net Operational GVA	£11,311,241
Retail Jobs	1.4
Net Retail GVA	£474,812
Public Realm Benefits	£0
Total GVA	£15,142,225
Total Gap Fund Investment	£2,493,146
Total Investment	£7,448,992
Total Benefits	£15,142,225
Total benefit – counterfactual	£12,203,536
Gap Fund BCR	4.9
Adjusted BCR	1.6

3.8. Economic appraisal results:

The results of the economic appraisal indicate that the preferred option (Maximum Development) will achieve the key project objectives and meet Critical Success Factors to yield the greatest range of benefits for the local economy. In doing so it will support numerous policy and strategy goals at the local and regional level (detailed in the Strategic Case).

The results of the economic appraisal are summarised in the table below:

Table 7 – Summary of Economic Appraisal

		Option 5 – Maximum Development
A	**PV Benefits**	**£12.20m**
B	Gap Funding PV Costs	£2.49m
C	Follow-on Investment PV Costs	£4.96m
D	**Total Costs**	**£7.45m**
A/B	Gap Funding BCR	4.9
A/D	Adjusted BCR (including follow-on investment)	1.6

Sensitivity Testing

The preferred option is subject to a sensitivity analysis to test the robustness of the results against a rise in the cost of the project and unfavourable economic conditions, post-intervention. The initial test assumes a slow uptake in direct jobs, with the Hub not reaching full direct employment (i.e. 30 employees) until 2027.

Table 8 – Sensitivity – Slow Job Uptake

		Option 5 – Maximum Development
A	**PV Benefits**	**£12.20m**
B	Gap Funding PV Costs	£2.49m
C	Follow-on Investment PV Costs	£4.96m
D	**Total Costs**	**£7.45m**
A/B	Gap Funding BCR	4.9
A/D	Adjusted BCR (including follow-on investment)	1.6

The second test indicates an increase in the displacement applied to the operational jobs from 25% to 50% to reflect greater levels of educational and skills development activity being affected by the new Hub.

Table 9 – Sensitivity – High Displacement

		Option 5 – Maximum Development
A	**PV Benefits**	**£10.98m**
B	Gap Funding PV Costs	£2.49m
C	Follow-on Investment PV Costs	£4.96m
D	**Total Costs**	**£7.45m**
A/B	Gap Funding BCR	4.4

A/D	Adjusted BCR (including follow-on investment)	1.5

The third test applies a switching value analysis to the costs of the gap funding required. The sensitivity assesses to what extent the costs need to increase in order to get a Gap Funding BCR below 2.0. The table indicates that base costs would have to increase by £3.18m.

Table 10 – Sensitivity – High Costs

		Option 5 – Maximum Development
A	**PV Benefits**	**£12.20m**
B	Gap Funding PV Costs	£6.42m
C	Follow-on Investment PV Costs	£4.96m
D	**Total Costs**	**£11.38m**
A/B	Gap Funding BCR	**1.9**
A/D	Adjusted BCR (including follow-on investment)	**1.1**

The sensitivity analysis present above indicates that the Maximum Development Option represents good value for money and should be progressed for further analysis throughout the business case.

4. COMMERCIAL CASE

4.1. Procurement options:

Civil and Structural Engineering Professional Services Consultancy Framework

Medway Council has taken steps to ensure that the bulk of procurement within Medway increases social value in accordance with the Social Value Act 2012. The Council asks all contractors to explain how they will support local companies, labour, and suppliers as a result of winning the Contract. Some examples may include training of local staff, apprenticeships or the use of local transport and businesses as part of the contract, sourcing of supplies or disposal of waste and recycling materials within the borough. Suppliers are asked to detail any apprenticeship programme they have and what benefits this will yield. The Council has a target to award 40% of its annual spend to local SME's.

Open tender

Medway Council has taken steps to ensure that the bulk of procurement within Medway increases social value in accordance with the Social Value Act 2012. The Council asks all contractors to explain how they will support local companies, labour, and suppliers as a result of winning the Contract. Some examples may include training of local staff, apprenticeships or the use of local transport and businesses as part of the contract, sourcing of supplies or disposal of waste and recycling materials within the borough. Suppliers are asked to detail any apprenticeship programme they have and what benefits this will yield. The Council has a target to award 40% of its annual spend to local SME's.

The Skills Hub, public realm and residential elements of the project will be delivered by MDC, a subsidiary limited company to Medway Council which utilises Medway Council's Procurement processes.

4.2. Preferred procurement and contracting strategy*:*

The procurement strategy adopted for this approach is the traditional approach for construction projects. A consultant will be appointed to deliver the detailed designs. Once this work has been completed MDC will be appointed to deliver the skills hub, residential units and public realm improvements.

Fully developing the design before appointing a contractor will give the project team greater certainty about design quality and cost. Given the fixed project budget, cost is a key consideration at every stage of the project. In order to reap the most benefit from this procurement type it will be essential that all the design information is presented to the contractor at the start of the procurement process. Any incomplete information or changes made following the appointment of the contractor will generate additional costs.

Subject to the design work being completed to a high standard, this procurement approach is considered to be low risk. As the contractor is provided with the full scheme design prior to appointment, they are required to submit a price for full project delivery. If, through no fault of the design or tender information, the contractor cannot build the scheme for the price quoted they are liable for any cost overrun. This ensures that the project team have a clear indication of project cost and can budget accordingly.

Whilst it has been agreed that the traditional approach is the correct strategy to use for this project, it is acknowledged that this approach may take longer than using design and build.

This is due to the need to wait for the design to be completely finished before the contractor procurement process can begin. There can be no overlap as this will inevitably lead to additional costs being incurred during the construction phase.

In addition, this approach generally does not allow for any input from the contractor in terms of design. This means that the contractor has no opportunity to help improve the buildability of the scheme. They are tied into delivering the design presented to them, unless there are fundamental flaws within the proposals.

There are two key risks associated with this approach:

- The designer may try to make claims for changes to the design, which could increase project costs. In order to address this risk, the Project Manager will ensure that the scope and objectives of the scheme are clear before progressing to the design phase. This will allow for the designer to be procured using a very focussed specification. If any change requests are submitted by the design consultant, they will be robustly challenged by the Project Manager, and the designer will need to justify why the change is required and how the work required varies from that contained in the original specification.

- The design information is not complete, or design changes are required following procurement of the contractor – both of which could incur significant additional costs to the project team. To mitigate this risk a full review of the design will be conducted by the Project Manager prior to progression to procurement of a contractor. Regular meetings will be held with the design team to ensure that their work is progressing in line with the specification and in accordance with the project programme.

The traditional procurement approach was been used for the Chatham Town Centre Place-making LGF project, managed by Medway Council. Whilst this approach has been a success and the project is now complete, it has highlighted the importance of ensuring that the contractor is provided with a full breakdown of delivery requirements prior to appointment. This needs to include the complete design, specification for the works including type and colour of materials and project programme.

4.3. Procurement experience:

Medway Council's Category Management Team has a proven track record of successful project delivery, both in terms of quality and value for money. This was recognised in March 2014 at the Excellence in Public Procurement Awards 2014/15, where the team achieved the Highly Commended Award for Innovation or Initiative. In August 2014, the team were shortlisted for two major award categories in the CIPS Supply Management Awards 2014 and 2015, and for a further category in 2016.

The team have extensive experience of all procurement options considered, with the open procurement approach being adopted for appointment of a contractor to deliver the Chatham town centre public realm and route improvements project. This procurement exercise was a success and lead to significant cost savings compared to if the Highways Infrastructure Contract had been used as a vehicle for delivering the works. The greatest lesson learnt through the procurement of the contractor for the Chatham town centre project was to make sure that the project is fully scoped, with a clear breakdown of all elements of the project which require delivery. This needs to be accompanied by a comprehensive pricing table, which ensures consistency across all tenders received. This is essential in order to facilitate accurate comparison of the tenders submitted to ensure best value is achieved.

A representative of the Category Management Team will attend Programme Steering Group meetings and will be aware of the procurement timetable for Getting Building Funding projects.

4.4. Competition issues:

Works are not overly complex, and in MDC's experience of recent similar projects, the market response to competition processes have been excellent with a high level of interest received. MDC do not expect to encounter competition issues but will fully engage with supply chains to ensure a high level of interest is generated.

4.5. Human resources issues:

Human resource issues are not expected in the delivery of these works; MDC is fully resourced to deliver the BFM redevelopment project streams.

4.6. Risks and mitigation:

Medway Council, as scheme promoter, will carry the commercial risk associated with this project.

The risk will be managed through the procurement process. In order to qualify to undertake any work for Medway Council, suppliers are required to undergo a financial check. This ensures that suppliers used have a sound financial background with a lower risk of failure during their period of appointment.

During the construction process, due to the chosen procurement route, the financial risk will pass to the contractor. The contractor will be presented with the full design at the start of the procurement exercise. This will allow the contractor to work out an accurate cost for delivering the scheme. Once the contract has been entered into the financial risk will be with the contractor as they will be required to deliver the scheme within the cost quoted, or be liable for the additional costs; this is based on the assumption that no further changes are made to the design post contractor procurement.

4.7. Maximising social value*:*

Medway Council has taken steps to ensure that the bulk of procurement within Medway increases social value in accordance with the Social Value Act 2012. The Council asks all contractors to explain how they will support local companies, labour and suppliers as a result of winning the Contract. Some examples may include training of local staff, apprenticeships or the use of local transport and businesses as part of the contract, sourcing of supplies or disposal of waste and recycling materials within the borough. Suppliers are asked to detail any apprenticeship programme they have and what benefits this will yield. The Council has a target to award 40% of its annual spend to local SME's.

5. FINANCIAL CASE

5.1. Total project value and funding sources:

GBF requested 1.99m.
Medway Council PWLB funding £5.2m towards residential development.

Funding source	Funding security		Funding profile (£m)						
			Oct-Dec 20	Jan-Mar 21	Apr-Jun 21	Jul-Sep 21	Oct-Dec 21	Jan-Mar 22	Total
Capital Funding sources									
GBF: Housing	Requested		0.150	0.250	0.2	0.1.5			**£0.750m**
GBF: Public Realm	Requested		0.040	0.050	0.210				**£0.300m**
GBF: Skills Hub	Requested		0.020	0.020	0.150	0.250	0.250	0.250	**£0.940m**
Medway Council Funding £5.2m	Secured, Committed by Medway Council (spent from July 2021 – March 2023)								
TOTAL Capital									**1.990m**

5.2. SELEP funding request, including type (LGF, GPF, GBF etc.,):

GBF of £1.99m requested to deliver the Learning, Skills & Employment hub, the public realm and to bridge the funding gap required to deliver residential development.

5.3. Costs by type:

	Expenditure Forecast				
Cost type	**20/21 £m**	**2021/22 £m**	**2022/23 £m**	**Total £m**	**Total per Project Element £m**
Housing capital main works	0.300	3.000	2.100	5.400	
Housing Project fees	0.100	0.200		0.300	
Housing Contingency		0.125	0.125	0.250	5.950
Public Realm Project fees	0.040			0.04	
Public Realm Main works	0.050	0.210		0.260	0.300
Learning Skills & Employment Hub Project fees	0.040	0.100		0.140	
Learning Skills & Employment Hub Main works		0.550		0.550	
Learning Skills & Employment Hub Furnishing/IT		0.200		0.200	
Learning Skills & Employment Hub contingency		0.050		0.050	0.940
QRA – Contingency included within above costs		0.175	0.125	0.300	
Monitoring and Evaluation included within above project fees		0.010	0.010	0.020	
Total funding requirement	0.53	4.62	2.36	7.51	

Optimism Bias has not been applied in the Financial Case.
Monitoring and evaluation costs of £20,000 have been included within project fees as per above table.
Inflation at 1.97% in 20/21, 2.12% in 21/22 and 2.12% in 22/23, has been applied in the Financial case and is included within the above costs.

5.4. Quantitative risk assessment (QRA):

Quantitative Risk Assessment included as part of Risk Register in Appendix C.

5.5. Funding profile (capital and non-capital):

	Expenditure Forecast			
Capital Funding source	**20/21 £m**	**21/22 £m**	**22/23 £m**	**Total**
GBF	0.530	1.460	0	£1.990m
Public Works Loan Board (PWLB) Committed Medway Council / MDC funding		2.975	2.225	£5.200m
Total funding requirement				£7.190m

5.6. Funding commitment:

Throughout the project programme Medway Council will continuously review the project budget and estimated costs to identify at the earliest opportunity any risk of cost overruns. Wherever possible action will be taken to reduce or eliminate the cost overrun through various measures including value engineering. However, if it is not possible to deliver the scheme in accordance with the Business Case without a cost overrun Medway Council will cover the cost overrun.

The revenue costs for the hub will be assumed by Medway Adult Education's existing budget, which largely consists of a government Adult Education Grant. The grant is received annually for c£1.7m and is based upon successful delivery of courses. This is a secure grant and has been received annually for over 30 years and there is no indication that it is at risk in any way.

The closure of the existing Gillingham Adult Education Centre will create sufficient budget to ensure that the centre is sufficiently managed and maintained. As this will be a renovation project, key building elements will be replaced to ensure low future maintenance costs and no expected renewal costs within the business case time frame. All Medway Council Budgets are managed and reviewed annually and adjusted to take into account inflation.

A signed assurance from the Section 151 Officer is attached at Appendix B

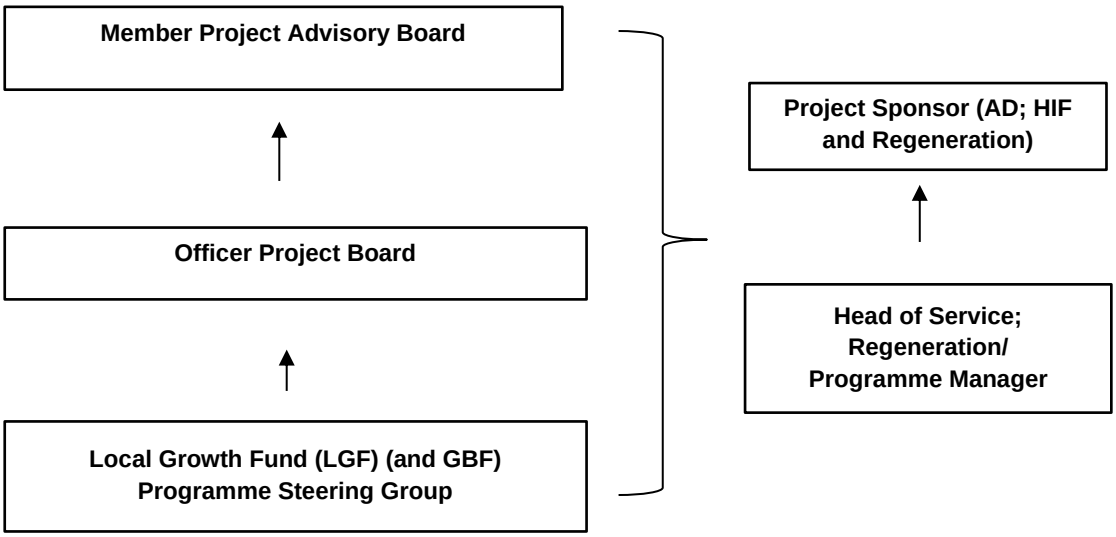
5.7. Risk and constraints:

Full Risk Register included as Appendix C.

6. MANAGEMENT CASE

6.1. Governance:

Governance Structure:


Member Project Advisory Board
Officer Project Board
Local Growth Fund (LGF) (and GBF) Programme Steering Group
Project Sponsor (AD; HIF and Regeneration)
Head of Service; Regeneration/ Programme Manager

Dawn Hudd, Assistant Director of Regeneration and HIF at Medway Council is the Project Sponsor for this project.

Sunny Ee, Head of HIF and Regeneration Delivery at Medway Council is the Senior Responsible Officer for this project.

Medway Council has effective governance arrangements in place to ensure successful delivery of LGF projects. The governance arrangements include the involvement of both Councillors and senior officers of the council.

The Local Growth Fund (LGF) (and GBF) Programme Steering Group is a cross-directorate officer group that oversees and coordinates the programme of LGF (and GBF) funded projects. This group brings together officers responsible for project delivery and programme management. The group meet every eight weeks and reviews the latest project dashboard reports to ensure that the programme is being managed to time, budget and agreed specification. In addition, the group review project risk registers to ensure that appropriate mitigating actions are in place and discuss any change management requests that have been submitted by Project Managers. Change management requests which are considered to be medium or high risk are referred to the Directorate Officer Project Board for decision.

Project dashboard reports are prepared by Project Managers in advance of the LGF (and GBF) Programme Steering Group meetings. The reports provide an update on project progress, finances, issues, risks and project changes. Project Managers use this report to flag up any areas of concern or decisions which need to be made at a higher level. Following the LGF (and GBF) Programme Steering Group meetings the project dashboard reports are updated if required before submission for consideration at Directorate Officer Project Board.

The Directorate Officer Project Board is a senior officer group which manages all capital projects including LGF funded projects. The Board is responsible for the strategic management of the LGF (and GBF) projects and has authority to commit resources to the project in accordance with the Council's Constitution. An updated dashboard report for each LGF (and GBF) project is a standing item on the agenda. In addition, the Board are asked to consider any change management requests which are considered to be medium or high risk. The Board meets every four weeks, typically a few days after the LGF (and GBF) Programme Steering Group meeting.

The Member Advisory Project Board offers Members an overview of project development and delivery. The Board reviews, analyses and scrutinises progress on the directorate's capital programme and, where relevant, specific large/complex projects. LGF update reports are regularly considered by the Board. The Board meets approximately every three months. The Board membership includes the following elected members:
- The Leader/Portfolio Holder for Finance.
- Portfolio Holder Inward Investment, Strategic Regeneration and Partnerships.
- Portfolio Holder for Frontline Services.
- Portfolio Holder for Housing and Community Services.

6.2. Approvals and escalation procedures:

Project managers are expected to make day to day operational decisions in order to ensure project delivery. Any issues or risks that arise which might impact on the successful delivery of the project must be reported on the monthly project dashboard report. In addition if the project manager is requesting a change to the project which will impact on budget, outcomes, outputs, delivery timetable or will signify a change in project scope or delivery approach compared to that specified in the Business Case they are required to submit a change management request for consideration at the LGF Programme Steering Group meeting.

At the LGF (and GBF) Programme Steering Group meeting there will be discussion regarding the issues or risks flagged up by the project manager. Advice will be given regarding how to address the risks and issues, in order to minimise the impact on project delivery. As the attendees at the LGF (and GBF) Programme Steering Group meeting include both Project Owners and Project Sponsors, the group is also able to consider the change management requests put forward by the project managers. The change requests will be considered from both a project and programme management perspective. A decision will then be made as to whether the LGF (and GBF) Programme Steering Group support the change requested. If the change supported by the Steering Group is considered to be low risk and has no budgetary implications the project manager can implement the change without further approval required. However, if the change is considered to be medium or high risk or has budgetary implications the change management request also needs to be presented to the Regeneration, Culture and Environment (RCE) Officer Project Board.

RCE Officer Project Board is attended by senior council officers including the Director of Place & Deputy Chief Executive. This board has greater authority to approve changes which impact on the use of council resources or which could significantly impact on project delivery. Any project changes that have been requested will be included on the dashboard reports that go to Member Advisory Project Board. At this meeting Members can challenge project progress and decisions that have been made. If approval is needed for a change that will result in a significant change to the project Business Case the Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships, as the council's representative on the SELEP Accountability Board, will be involved in the approval process.

The LGF and GBF Programme Management team will ensure that the SELEP change management process, as set out in the SELEP Assurance Framework, is followed where required.

This process ensures that project changes are reported to Accountability Board. In situations where a significant change is proposed Medway Council is required to seek approval by Accountability Board before implementing the change.

6.3. Contract and project management:

MDC operates various project delivery routes including construction management, design and build, and traditional contract administration approaches.

MDC already have an extensive suite of contract administration tools which will be utilised for each of the project streams. For the residential element, MDC have already developed an employer's requirements and contract documentation, which are ready to facilitate the procurement of a main contractor.

For the Skills Hub, MDC will utilise documents recently developed for the NHS KMPT fit out, which will be adapted for the project scope.

The public realm works will be specified by an architect and these works will be procured using a minor works contract.

All contract documents are based on the Council's standard forms, which are prepared by the Council's Legal Team and have been tried and tested on numerous projects.

MDC has already identified proposed project managers for the schemes which has been reviewed in terms of resource capacity. The Head of Operations will be responsible for coordinating the delivery team to ensure that the objectives are met.

6.4. Key stakeholders:

The future of BFM has been widely debated among internal council departments, with the proposed project receiving significant support at officer and member level. Teams involved include Property, Town Centre Management, Regeneration, and MDC. Further support has been secured from the Leader, and Portfolio Holders for Inward Investment, Strategic Regeneration and Partnerships, and Planning, Economic Growth and Regulation.

The Gillingham Town Centre Forum meetings include a variety of local business representatives, Kent Police, Medway Council's Chief Legal Officer as well as officers from Planning, Town Centre Management and Economic Development. These meetings are also attended by the Ward Councillors for Gillingham North Ward, and Portfolio Holders for Town Centres and the Portfolio Holder for Regulatory Services.

6.5. Equality Impact:

A Diversity Impact Assessment has been completed for The Britton Farm Learning, Skills and Employment Hub. This Diversity Impact Assessment considers the learning hub, residential accommodation and public realm improvements.

The main outcomes of this assessment are that the works will advance equality for the following protected characteristics groups: age, disability and low income groups. In addition, the Britton Farm project will foster good relations for all ten protected characteristics groups (age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion/belief, gender, sexual orientation and other).

The Diversity Impact Assessment can be found in Appendix H

6.6. Risk management strategy:

Throughout the lifetime of this project a risk register will be maintained which will reflect all risks associated with project delivery. If any of the risks materialise, they may directly impact on the project delivery programme unless appropriate mitigating action is taken.

It is acknowledged that there is little flexibility in the project programme as the spend profile runs until the end of the GBF funding period; March 2022. However, Medway Council will work closely with both the design consultants and contractor to ensure that risks are identified quickly and that plans are put in place for the management of them, including review and re-profile of the programme if necessary, to ensure as little delay as possible.

As the project progresses the project manager will be required to provide an updated project budget and risk register for consideration at the bi-monthly Programme Steering Group meetings which are attended by all key personnel.

Any key project issues or changes will be escalated to Officer Project Board and Member Project Board meetings attended by Senior Management and elected Members.

6.7. Work programme:

Gantt Chart is included as Appendix D.

6.8. Previous project experience:

The project lead at MDC has delivered numerous projects across a twenty-year period. Recent examples include the KMPT NHS fit out which was delivered on budget. Other fit out projects include Medway archives building and East Gate House schemes. In terms of large-scale projects, MDC are nearing completion of a local residential new build scheme, which is currently on budget and expected to complete later this year.

6.9. Monitoring and evaluation:

The following Inputs, Outputs, Outcomes and Impacts are expected from the project. Outputs and Outcomes will be used as the basis for formal monitoring and evaluation, with consideration given to Impacts (it is not a formal requirement to report on Impacts, given the size of the project, but this will help in a wider appreciation of project progress and success).

Inputs:

- Funding of £7.19m (including £1.99m GBF investment)

- The skills of a range of council departments, including Regeneration Delivery, Skills and Employment, Economic Development and Town Centre Management, LGF Programme Management, Category Management and Property.

Outputs:

- 1 x 450sqm Learning, Skills and Employment Hub (including flexible classroom space, state-of-the-art digital equipment and a training kitchen)
- 44 residential units (affordable housing)
- Public realm improvements

Outcomes

- 30 direct jobs
- 48 construction jobs
- 50 upskilled learners into employment p.a.
- 350 learners per year
- 44 affordable homes

Impacts

- Increasing provision of affordable housing
- Increasing employment in the area
- Increasing labour market efficiency (by matching learners with job opportunities)
- Delivering against homes and jobs needs as determined by the Local Plan.
- Safeguarding jobs.
- Revitalising Gillingham High Street and enhancing footfall.

A full breakdown of the planned monitoring and evaluation for the project can be found at Appendix E.

6.91 Logic Map

Inputs	Outputs	Outcomes	Impacts
• Getting Building Fund Grant Spend of £1.99m • MDC Spend of £5.2m for residential development	***For all schemes:*** • 450 sqm of skills space at the Learning, Skills & Employment hub • Residential development of 44 affordable homes • Public Realm interventions	• 30 direct jobs at the Skills Hub • 48 construction jobs • 50 upskilled learners entering employment per year, totalling 780 up to 2037 •350 learners per year •44 affordable homes	•Increasing the provision of affordable housing units •Increasing employment in the area •Increasing labour market efficiency through the skills training hub, and matching learners with job opportunities •Delivering against housing and labour market needs identified in the Medway Local Plan •Safeguarding existing jobs related to the skills and employment hub •Revitalising Gillingham's High Street and enhancing footfall

6.10 Benefits Realisation Plan

The Project Manager, in association with the Skills & Employment Programme Manager, will be responsible for developing a Benefits Realisation Plan. This plan will clearly set out the benefits that the scheme is expected to deliver, along with a process for collecting the required information to allow assessment as to whether the benefits have been realised.

The benefits realisation plan will include the following information:

- The benefits the scheme is expected to deliver and the information that is required to allow assessment of the project outcome in relation to each benefit;
- Milestones for when the benefits are expected to be delivered – some benefits may be delivered over a number of years following completion of the project;
- Planned method of collecting each piece of information needed;
- Clear approach for applying data collected to establish how effectively the benefits have been delivered;
- Timetable for collecting the required baseline data;
- Timetable for collecting data to assess benefit delivery – for some benefits this may commence during the construction process, whereas for other benefits data won't be collected until a year or more post project completion;

Whilst the Skills & Employment Programme Manager will have overall responsibility for ensuring that the benefits are realised, collection of monitoring data will be delegated to appropriate Council officers. The officers will collect the information in accordance with the timetable specified in the benefits realisation plan. The benefits realisation plan will be established by the Project Manager during the project development phase and will involve continuous public engagement to ensure the anticipated benefits are realised.

7. DECLARATIONS

Has any director/partner ever been disqualified from being a company director under the Company Directors Disqualification Act (1986) or ever been the proprietor, partner or director of a business that has been subject to an investigation (completed, current or pending) undertaken under the Companies, Financial Services or Banking Acts?	~~*Yes /*~~ *No*
Has any director/partner ever been bankrupt or subject to an arrangement with creditors or ever been the proprietor, partner or director of a business subject to any formal insolvency procedure such as receivership, liquidation, or administration, or subject to an arrangement with its creditors	~~*Yes /*~~ *No*
Has any director/partner ever been the proprietor, partner or director of a business that has been requested to repay a grant under any government scheme?	~~*Yes /*~~ *No*

**If the answer is "yes" to any of these questions please give details on a separate sheet of paper of the person(s) and business(es) and details of the circumstances. This does not necessarily affect your chances of being awarded SELEP funding.*

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer Davies Gleave, and other public sector bodies who may be involved in considering the business case.

I understand that a copy of the main Business Case document will be made available on the South East Local Enterprise Partnership website one month in advance of the funding decision by SELEP Accountability Board. The Business Case supporting appendices will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption, as stated in Appendix G.

Where scheme promoters consider information to fall within the categories for exemption (stated in Appendix G) they should provide a separate version of the main Business Case document to SELEP 6 weeks in advance of the SELEP Accountability Board meeting at which the funding decision is being taken, which highlights the proposed Business Case redactions.

I understand that if I give information that is incorrect or incomplete, funding may be withheld or reclaimed and action taken against me. I declare that the information I have given on this form is correct and complete. Any expenditure defrayed in advance of project approval is at risk of not being reimbursed and all spend of Local Growth Fund must be compliant with the Grant Conditions.

I understand that any offer may be publicised by means of a press release giving brief details of the project and the grant amount.

Signature of applicant	
Print full name	*Dawn Hudd*
Designation	*Assistant Director of HIF and Regeneration*

8. APPENDIX A – ECONOMIC APPRAISAL ASSUMPTIONS

[The DCLG appraisal guide data book includes all of the appraisal and modelling values referred to in the appraisal guidance. Below is a summary table of assumptions that might be required. All applicants should clearly state all assumptions in a similar table.]

Appraisal Assumptions	**Details**
QRA and Risk allowance	See Financial Case
Real Growth	£12.20m
Discounting	3.50%
Sensitivity Tests	Higher displacement Prolonged full employment Switching Value to BCR of less than 2.0 (Section 3.8)
Additionality	Table 3 Additionality Assumptions
Administrative costs of regulation	n/a
Appraisal period	10 years
Distributional weights	n/a
Employment	30 Jobs - Skills & Employment Hub
External impacts of development	Labour force matching Apprenticeships from construction employment
GDP	n/a
House price index	n/a
Indirect taxation correction factor	n/a
Inflation	See Financial Case
Land value uplift	n/a

Learning rates	350 per annum
Optimism bias	30%
Planning applications	0
Present value year	2020
Private sector cost of capital	0
Rebound effects	n/a
Regulatory transition costs	n/a

9. APPENDIX B - FUNDING COMMITMENT

Funding commitment to be completed at Gate 2 submission.

Draft S151 Officer Letter to support Business Case submission

Dear Colleague
In submitting this project Business Case, I confirm on behalf of [Insert name of County or Unitary Authority] that:

- *The information presented in this Business Case is accurate and correct as at the time of writing.*
- *The funding has been identified to deliver the project and project benefits, as specified within the Business Case. Where sufficient funding has not been identified to deliver the project, this risk has been identified within the Business Case and brought to the attention of the SELEP Secretariat through the SELEP quarterly reporting process.*
- *The risk assessment included in the project Business Case identifies all substantial project risks known at the time of Business Case submission.*
- *The delivery body has considered the public-sector equality duty and has had regard to the requirements under s.149 of the Equality Act 2010 throughout their decision-making process. This should include the development of an Equality Impact Assessment which will remain as a live document through the projects development and delivery stages.*
- *The delivery body has access to the skills, expertise and resource to support the delivery of the project*
- *Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting*
- *The project will be delivered under the conditions in the signed LGF Service Level Agreement or other grant agreement with the SELEP Accountable Body.*

I note that the Business Case will be made available on the SELEP website one month in advance of the funding decision being taken, subject to the removal of those parts of the Business Case which are commercially sensitive and confidential as agreed with the SELEP Accountable Body.

Yours Sincerely,
SRO (Director Level) ……
S151 Officer ……

10. APPENDIX C – RISK MANAGEMENT STRATEGY

No.	Risk	Impact	Category	Owner	Likelihood (1 to 4)	Consequence (1 to 4)	Risk Rating	Status	Action Plan	Action Plan Owner	Target date	Cost Allocated
1	Geotech Ground Risks/unexpect	Financial	Cost	Lewis Small (MDCL)	2	2	4	Ongoing Management	Sites considered low risk. Engineer to detail structure as design develops. Structural surveys now completed.	Amrosana (MDC Senior PM)	Ongoing	£200,000
2	Archaeology Ground Risks	Delays	Delays	Lewis Small (MDCL)	1	1	1	**Risk Closed**	Site considered low risk however, planning to confirm requirement as part of pre app. Not required from		Closed	
3	Ecology	Delays	Delays	Lewis Small (MDCL)	1	1	1	**Risk Closed**	Site very low risk, scoping survey unlikely - no request from planners. Nothing required from planning approval.		Closed	
4	Coronavirus second lockdown	Delays	Delays	Lewis Small (MDCL)	1	3	3	Ongoing Management	Healthy and Safety measures to be in place including, social distancing where possible and PPE. Construction completion timescale should align with post-Covid19 recovery. Construction has managed to continue through pandemic and therefore an inability to not proceed is unlikely.	Employers Agent/CM team	Ongoing	
5	Working adjacent to an occupied	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	2	2	Ongoing Management	Engage as part of stakeholder works	Amrosana (MDC Senior PM)	Nov-20	
6	Working in a public environment	Reputational damage	Reputational	Amrosana (MDC Senior PM)	2	2	4	Ongoing Management	Engage as part of stakeholder works, employ competent contractors and ensure robust health and safety measures	Amrosana (MDC Senior PM)	Ongoing	£20,000

7	Utilities	Delays and costs	Cost	Amrosana (MDC Senior PM)	1	2	2	Ongoing Management	Utilities checked- no major services run through the sites and local drainage is available. Sub station unlikely as already provided on site. Existing building and public realm already serviced with power etc	Employers Agent/CM team	Oct-20	£50,000
8	Stakeholder engagement	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	3	3	Ongoing Management	Close dialog continues with planning team and engagement is occuring through town centre forum. Further stakeholder engagment to be undertaken	Medway Council (shareholder)	Nov-20	£10,000
9	Car park closure/changes	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	1	1	**Risk Closed**	Parking strategy agreed already and capacity checked		Closed	
10	Site Security	Damage / Arson	Cost	Employers Agent/CM team	3	3	9	Ongoing Management	The specification includes a requirement for remotely monitored CCTV system, which tracks movement and allows remote message to be broadcast on site. Perimeter hoarding to be plywood fixed type, not heras. Contract insurances to be demonstrated as part of tender. Full time guard req'd	Employers Agent/CM team	Pre-contract	£20,000
11	Planning delays	Delays	Delays	Amrosana (MDC Senior PM)	1	1	1	Ongoing Management	Residential already approved. Public realm does not require pp. Application maybe required for first floor use as educational, but already discussed with planning and expected to be delegated approval	Lewis Small (MDCL)	Ongoing	

Initials	Participants	Role	Organisatio
HD	Howard Doe	Director	MDCL
AG	Adrian Gulvin	Director	MDCL
BR	Barbara	Non exec Director	MDCL
JS	Jonathan	Non exec Director	MDCL
PH	Perry Holmes	Chief Legal Officer	Medway C
LS	Lewis Small	Head of Operations	MDCL
		Senior	MDCL
JG	Employers	Employers Agent	AMCM
MP	Mike Pearson (Architect	Architect - Whiffens	Guy Holloway
Bd	MDCL Board	Company control	MDCL
	Contractor		
Am	Amrosana	Senior	MDCL
MC	Medway Council	Shareholder	MC

Category	Cost	Delays	Health & Safety	Environmental	Reputational	Legal/PI	
Risk Status	**Risk Closed**	Ongoing Management	Critical	Increasing	Reducing	Legal/PI	

11. APPENDIX D – GANTT CHART

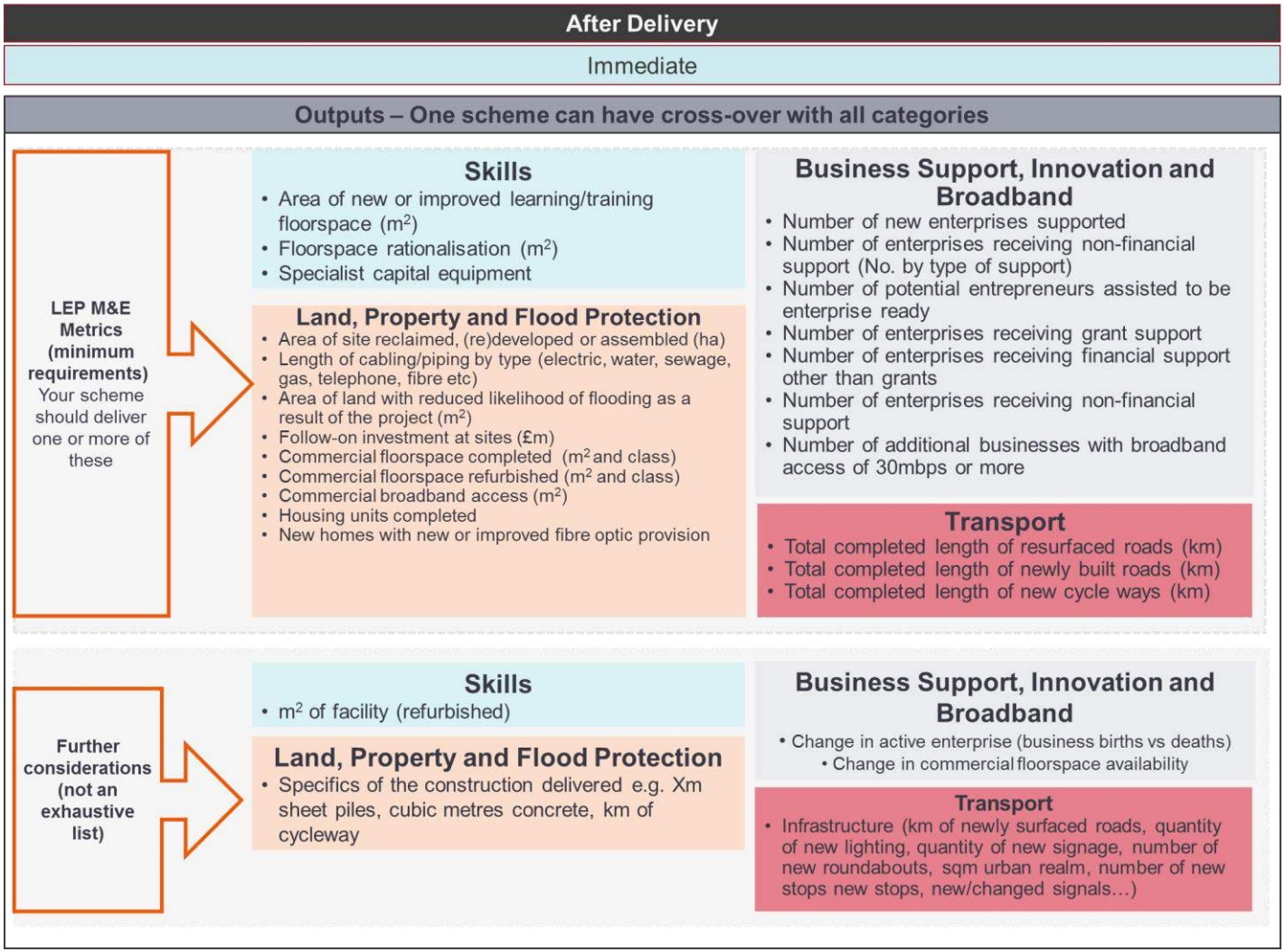
Tasks	Start	Finish	2020						2021												2022												2023		
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Residential Development																																			
Complete Structural Design	*Jul 20*	*Oct 20*																																	
Compile Full Tender Package	Nov 20	Dec 20																																	
Tender Period	Dec 20	Feb 21																																	
Detailed design & mobilisation	Mar 21	Jun 21																																	
Ground works	Jul 21	Dec 21																																	
Superstructure	Jan 22	Jan 23																																	
Building commissioning & completion	Jan 23	Feb 23																																	
Public Realm																																			
Appoint Architect	Aug 20	Aug 20																																	
Early Stage Concept Development	Sep 20	Oct 20																																	
Stakeholder engagement	Oct 20	Oct 20																																	
Final Design	Nov 20	Nov 20																																	

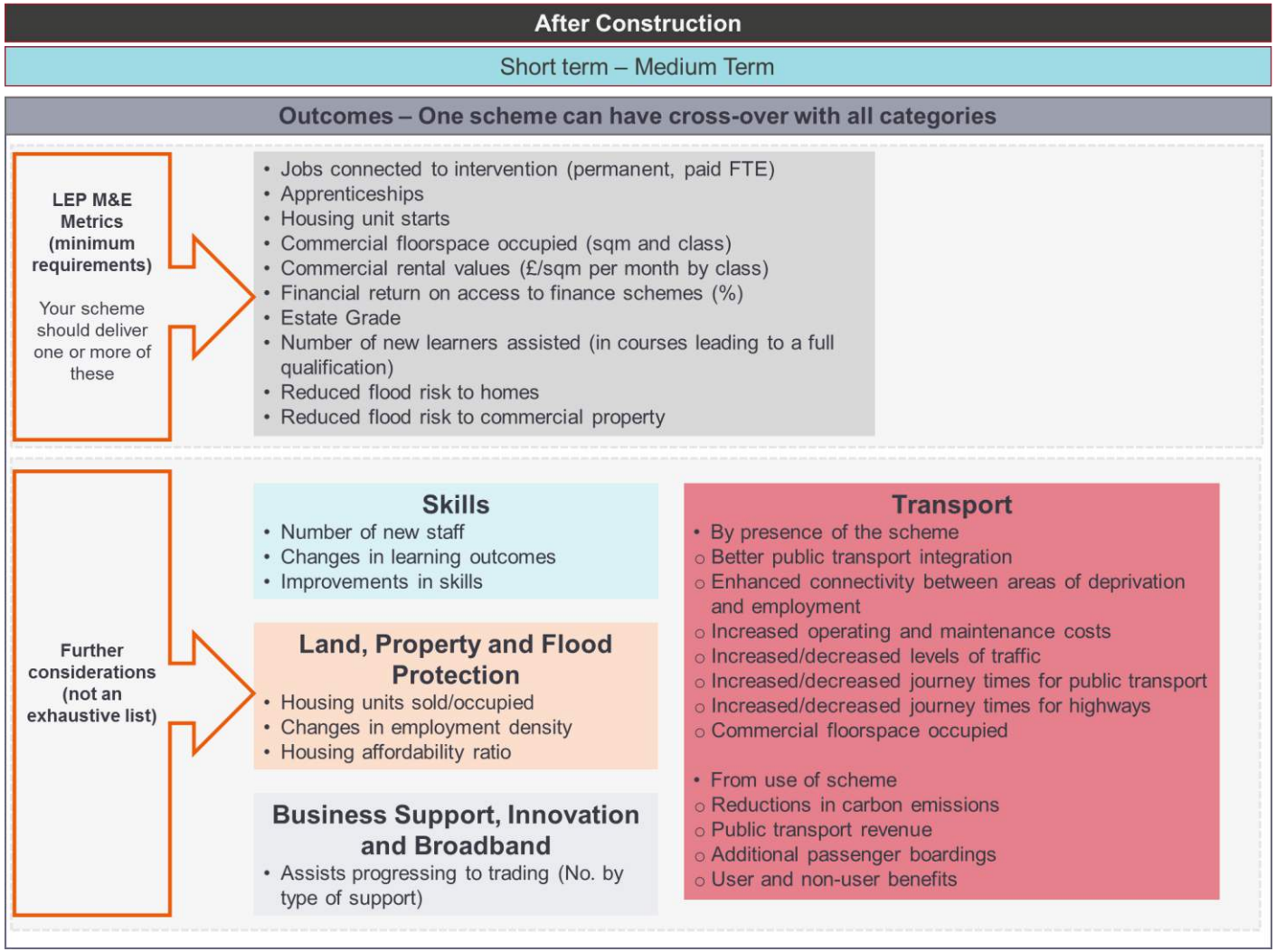
Procure main contractor	Dec 20	Jan 21																																				
Capital works	Feb 21	May 21																																				
Complete	Jun 21	Jun 21																																				
Learning, Skills & Employment Hub																																						
Appoint architect and M&E consultant	Aug 20	Aug 20																																				
Stakeholder engagement	Sep 20	Sep 20																																				
Develop Designs	Oct 20	Dec 20																																				
Final Designs	Jan 21	Jan 21																																				
Procure main contractor	Feb 21	Apr 21																																				
Capital works	June 21	Feb 21																																				
Complete & handover																																						

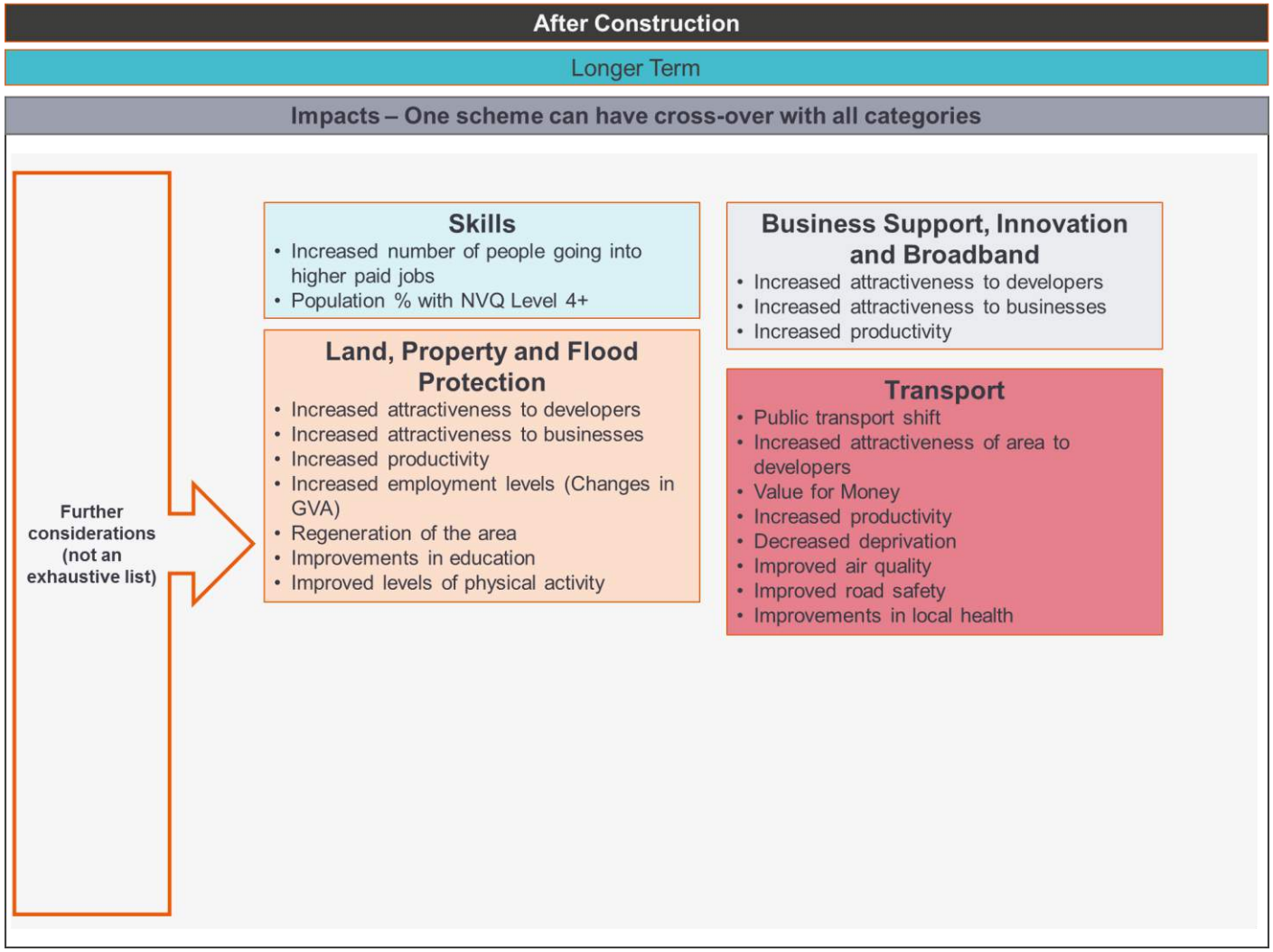
12. APPENDIX E – MONITORING AND EVALUATIONS METRICS FOR LOGIC MAP

The Britton Farm Mall project will deliver a number of outputs and outcomes which will be monitored as the project progresses. The table below shows the benefits that will be monitored, the point at which the realisation of the benefit is expected and how the delivery of each benefit will be assessed.

Category	**Description**	**Key Performance Indicator(s)**
Output – Learning, Skills and Employment Hub	450sqm of space, including flexible classrooms, high-tech digital equipment and a training kitchen).	Stakeholder Consultation Held Completed Hub built
Output – 44 residential units	Occupying a former service yards, 44 residential units totalling circa 3800 sqm.	44 residential units built
Output – public realm improvements	Roof removed, hard standing replacements, new bins, new benches. Improved lighting, landscaping and drainage,	Stakeholder Consultation held All public realm improvements completed.
Outcomes – 30 direct jobs	30 jobs will operate within the new centre, comprising of administration staff, curriculum staff and new tutors for the wider range of subjects being taught.	30 direct jobs delivered.
Outcomes – 48 construction jobs	48 new construction jobs will be created for the delivery of the projects.	48 construction jobs delivered.
Outcomes – 50 upskilled learners per annum securing employment	50 learners who have used the hub will be successfully transitioned into employment each year.	50 learners into employment per annum.
Outcomes – 350 learners per annum	At least 350 learners will attend the centre per annum across a variety of courses.	350 learners will attend the centre per annum.
Outcome – 44 affordable homes	44 new affordable homes will be built.	44 affordable home built.


After Delivery
Immediate
Outputs – One scheme can have cross-over with all categories
LEP M&E Metrics (minimum requirements) Your scheme should deliver one or more of these
Skills
• Area of new or improved learning/training floorspace (m²)
• Floorspace rationalisation (m²)
• Specialist capital equipment
Land, Property and Flood Protection
• Area of site reclaimed, (re)developed or assembled (ha)
• Length of cabling/piping by type (electric, water, sewage, gas, telephone, fibre etc)
• Area of land with reduced likelihood of flooding as a result of the project (m²)
• Follow-on investment at sites (£m)
• Commercial floorspace completed (m² and class)
• Commercial floorspace refurbished (m² and class)
• Commercial broadband access (m²)
• Housing units completed
• New homes with new or improved fibre optic provision
Business Support, Innovation and Broadband
• Number of new enterprises supported
• Number of enterprises receiving non-financial support (No. by type of support)
• Number of potential entrepreneurs assisted to be enterprise ready
• Number of enterprises receiving grant support
• Number of enterprises receiving financial support other than grants
• Number of enterprises receiving non-financial support
• Number of additional businesses with broadband access of 30mbps or more
Transport
• Total completed length of resurfaced roads (km)
• Total completed length of newly built roads (km)
• Total completed length of new cycle ways (km)
Further considerations (not an exhaustive list)
Skills
• m² of facility (refurbished)
Land, Property and Flood Protection
• Specifics of the construction delivered e.g. Xm sheet piles, cubic metres concrete, km of cycleway
Business Support, Innovation and Broadband
• Change in active enterprise (business births vs deaths)
• Change in commercial floorspace availability
Transport
• Infrastructure (km of newly surfaced roads, quantity of new lighting, quantity of new signage, number of new roundabouts, sqm urban realm, number of new stops new stops, new/changed signals…)


After Construction
Short term – Medium Term
Outcomes – One scheme can have cross-over with all categories
LEP M&E Metrics (minimum requirements)
Your scheme should deliver one or more of these
• Jobs connected to intervention (permanent, paid FTE)
• Apprenticeships
• Housing unit starts
• Commercial floorspace occupied (sqm and class)
• Commercial rental values (£/sqm per month by class)
• Financial return on access to finance schemes (%)
• Estate Grade
• Number of new learners assisted (in courses leading to a full qualification)
• Reduced flood risk to homes
• Reduced flood risk to commercial property
Further considerations (not an exhaustive list)
Skills
• Number of new staff
• Changes in learning outcomes
• Improvements in skills
Land, Property and Flood Protection
• Housing units sold/occupied
• Changes in employment density
• Housing affordability ratio
Business Support, Innovation and Broadband
• Assists progressing to trading (No. by type of support)
Transport
• By presence of the scheme
o Better public transport integration
o Enhanced connectivity between areas of deprivation and employment
o Increased operating and maintenance costs
o Increased/decreased levels of traffic
o Increased/decreased journey times for public transport
o Increased/decreased journey times for highways
o Commercial floorspace occupied
• From use of scheme
o Reductions in carbon emissions
o Public transport revenue
o Additional passenger boardings
o User and non-user benefits


After Construction
Longer Term
Impacts – One scheme can have cross-over with all categories
Further considerations (not an exhaustive list)
Skills
• Increased number of people going into higher paid jobs
• Population % with NVQ Level 4+
Land, Property and Flood Protection
• Increased attractiveness to developers
• Increased attractiveness to businesses
• Increased productivity
• Increased employment levels (Changes in GVA)
• Regeneration of the area
• Improvements in education
• Improved levels of physical activity
Business Support, Innovation and Broadband
• Increased attractiveness to developers
• Increased attractiveness to businesses
• Increased productivity
Transport
• Public transport shift
• Increased attractiveness of area to developers
• Value for Money
• Increased productivity
• Decreased deprivation
• Improved air quality
• Improved road safety
• Improvements in local health

MONITORING AND EVALUATION PLAN

PURPOSE

- The Monitoring and Evaluation Plan details what the intended inputs, outputs, outcomes and impacts are of the scheme. These values will most likely come from the Business Case, but may also come from supplementary documentation associated with the scheme.
- The Monitoring and Evaluation Plan details of how inputs, outputs, outcomes and impacts will be measured in the One Year After Opening Report and the Five/Three Years After Opening Report and any associated costs.
- The Monitoring and Evaluation Plan also outlines the proposed approach to measuring the baseline information for each of the inputs, outputs, outcomes and impacts and any costs associated with this.
- When the baseline information has been collated, it is reported upon in the Baseline Report template.

A NOTE ON COSTS

The Monitoring and Evaluation of a scheme will rely on internal resource and potentially, some external resources. Both could come at a cost either in terms of time or money.

The Monitoring and Evaluation Plan is to be completed as part of the Business Case. At the same time, a Baseline Report would also be completed.

The costs that are anticipated for the collation of the Baseline Report are therefore current costs. However, the costs incurred for data collection for the One Year After Opening Report and Five/Three Years After Opening Report would occur in the future. Therefore, it is important to consider the effect of inflation on these costs.

AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS

The following provides information on the process for Monitoring and Evaluation and how the reports fit into this process.

M&E Plan (YOU ARE HERE)

- Template is included within the Business Case pro-forma
- Outlines what is to be monitored (after scheme opening) as part of the inputs, outputs, outcomes and impacts and the cost associated with this
- Includes what will be collected as part of the Baseline Report (before scheme construction/delivery) and the costs (if any) associated with this
- Is prepared for a single scheme or a package of measures in totality (not for each part of the package). This applies to all reports

Baseline Report

- The Report is completed at the time of the Business Case pro-forma (i.e. before the scheme is constructed/delivered)
- The Report is issued as a separate document to the Business Case
- Collates information which is used as point of reference to compare with data collected after opening as part of the One Year After Opening and Five Years After Opening Reports
- Includes the costs of the baseline data collection and if it differs from that estimated in the M&E Plan
- Information from this report goes into Benefits Realisation Plan

One Year After Opening Report

- The Report is completed after the scheme has been open or in place for one year
- The Report is issued as a stand-alone document
- Establishes inputs, outputs and outcomes and compares them to those established in the M&E Plan
- Includes the costs of collecting and analysing the data associated with the inputs, outputs and outcomes and compares this to those estimated in the M&E Plan
- Information to go into Benefits Realisation Profile

Five/Three Years After Opening Report

- The Report is completed after the scheme has been open or in place for five/three years
- The Report is issued as a stand-alone document
- Establishes outcomes and impacts and compares them to those established in the M&E Plan
- Includes the costs of collecting and analysing the data associated with the outcomes and impacts and compares this to those estimated in the M&E Plan
- Information to go into Benefits Realisation Profile

PROPORTIONATE APPROACH TO COMPLETING THE REPORT

The LGF supports a wide range of schemes in terms of scope and capital costs.

The Monitoring and Evaluation process has been designed to be aligned to the scale of the scheme based on its total delivery value (including LGF allocations). As a minimum, the number of jobs and housing brought forward by the scheme should be considered. These are factors which the Ministry of Housing, Communities and Local Government (MHCLG) consider to be key outcomes of LGF schemes.

The following is an indicative guide to which inputs, outputs, outcomes and impacts should be included within the Monitoring and Evaluation process for different scales of intervention.

This is based on the scale of the total value of each scheme or the value of a package in totality. Where there are complementary phases of a scheme that are funded at different times, consider establishing the Monitoring and Evaluation for the overall scheme delivered.

Value of Scheme/Package	Inputs	Outputs	Outcomes	Impacts
Under £2m	As described within the report templates	As described within the report templates	Number of jobs and houses delivered	n/a
£2m- £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package (see Appendix A supplied separately) Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately) Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case
More than £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package plus applicable measures from the 'Further considerations' section (see Appendix A supplied separately) Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately) Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case

This Monitoring and Evaluation Plan provides the details of the inputs, outputs and outcomes of the Britton Farm Mall project, how they will be measured, and the costs associated with this for the Baseline Report and One Year After Opening Report and Five/Three Years After Opening Report.

The objectives of the scheme are:

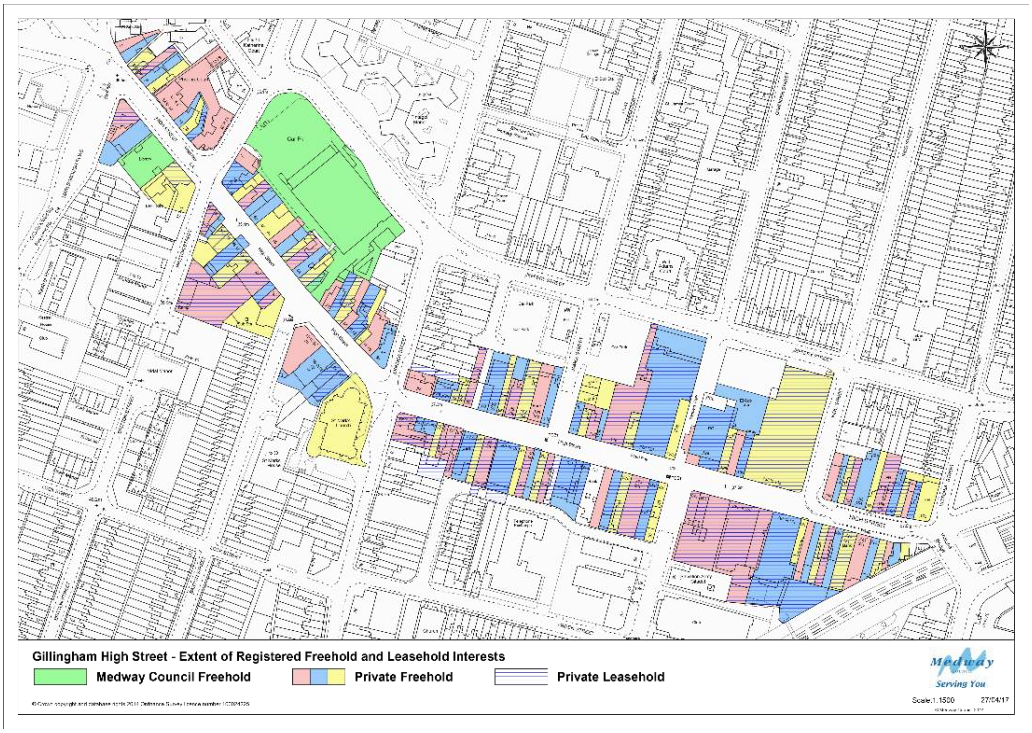
Objective 1: **Revitalise Gillingham High Street**

Objective 2: **Increase housing supply in Medway**

Objective 3: **Increase job supply in Medway**

Objective 4: **Support innovation via the creation of a cutting-edge Learning, Skills & Employment Hub**

The geography of the scheme is shown in the map below


Gillingham High Street - Extent of Registered Freehold and Leasehold Interests
Medway Council Freehold
Private Freehold
Private Leasehold

INPUTS

This section requires the scheme promoter to provide information about Scheme Spend, Project Delivery, Project Risk and Project Changes. These are referenced against the values in the Business Case.

- Update the table to include actual Financial Years for the period of delivery and approaches to monitor/track these values
- *Note – you may need to extend this table if the funding occurs in a period more than 3 years before your scheme opening date.*

ID	Input Description	Source of Value		Monitoring Approach	Frequency of Tracking	Source	[FY1/FY2]				[FY1/FY2]				[FY1/FY2]			
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN 1	Getting Building Fund Grant Spend of £1.99m	Full Business Case sections 1.10, 5.1 and 5.5.		Medway Council budget monitoring and contract management.	Monthly with contractors, quarterly reporting.	Planned/ Forecasted Spend Profile			0.210	0.320	0.550	0.40	0.250	0.250				
IN 2	Medway Development Company Spend of £5.2m for residential development	Full Business Case sections 1.10, 5.1 and 5.5		Medway Development Company monitoring and contract management.	Monthly with contractors, with monthly reporting.	Planned/ Forecasted Spend Profile												

INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	October 2020
Public Consultation	October 2020
Detailed Design	December 2020
Full Planning Permission Granted	Secured
Site Mobilisation Works Commence	February 2021
Project Completion / Site Opening	March 2022

INPUT 5: RISK MITIGATION

No.	Risk	Impact	Category	Owner	Likelihood (1 to 4)	Consequence (1 to 4)	Risk Rating	Status	Action Plan	Action Plan Owner	Target date	Cost Allocated
1	Geotech Ground Risks/unexpect	Financial	Cost	Lewis Small (MDCL)	2	2	4	Ongoing Management	Sites considered low risk. Engineer to detail structure as design develops. Structural surveys now completed.	Amrosana (MDC Senior PM)	Ongoing	£200,000
2	Archaeology Ground Risks	Delays	Delays	Lewis Small (MDCL)	1	1	1	**Risk Closed**	Site considered low risk however, planning to confirm requirement as part of pre app. Not required from		Closed	
3	Ecology	Delays	Delays	Lewis Small (MDCL)	1	1	1	**Risk Closed**	Site very low risk, scoping survey unlikely - no request from planners. Nothing required from planning approval.		Closed	
4	Coronavirus second lockdown	Delays	Delays	Lewis Small (MDCL)	1	3	3	Ongoing Management	Healthy and Safety measures to be in place including, social distancing where possible and PPE. Construction completion timescale should align with post-Covid19 recovery. Construction has managed to continue through pandemic and therefore an inability to not proceed is unlikely.	Employers Agent/CM team	Ongoing	
5	Working adjacent to an occupied	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	2	2	Ongoing Management	Engage as part of stakeholder works	Amrosana (MDC Senior PM)	Nov-20	
6	Working in a public environment	Reputational damage	Reputational	Amrosana (MDC Senior PM)	2	2	4	Ongoing Management	Engage as part of stakeholder works, employ competent contractors and ensure robust health and safety measures	Amrosana (MDC Senior PM)	Ongoing	£20,000

7	Utilities	Delays and costs	Cost	Amrosana (MDC Senior PM)	1	2	2	Ongoing Management	Utilities checked- no major services run through the sites and local drainage is available. Sub station unlikely as already provided on site. Existing building and public realm already serviced with power etc	Employers Agent/CM team	Oct-20	£50,000
8	Stakeholder engagement	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	3	3	Ongoing Management	Close dialog continues with planning team and engagement is occuring through town centre forum. Further stakeholder engagment to be undertaken	Medway Council (shareholder)	Nov-20	£10,000
9	Car park closure/changes	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	1	1	**Risk Closed**	Parking strategy agreed already and capacity checked		Closed	
10	Site Security	Damage / Arson	Cost	Employers Agent/CM team	3	3	9	Ongoing Management	The specification includes a requirement for remotely monitored CCTV system, which tracks movement and allows remote message to be broadcast on site. Perimeter hoarding to be plywood fixed type, not heras. Contract insurances to be demonstrated as part of tender. Full time guard req'd	Employers Agent/CM team	Pre-contract	£20,000
11	Planning delays	Delays	Delays	Amrosana (MDC Senior PM)	1	1	1	Ongoing Management	Residential already approved. Public realm does not require pp. Application maybe required for first floor use as educational, but already discussed with planning and expected to be delegated approval	Lewis Small (MDCL)	Ongoing	

OUTPUTS

- Please provide information about:
    - The planned/anticipated value for each output with the delivery of the scheme and reference this value from the Business Case or supporting documents
    - How the output will be monitored and evaluated for the One Year After Opening Report – you may need to include maps/diagrams to support this
    - The frequency of data collection related to the output
    - The anticipated cost of undertaking the monitoring and evaluation of the output for the One Year After Opening Report

    - The approach used to obtain baseline information for each output
        - Costs associated with this

ID	Output Description	
OP1	Learning, Skills and Employment Hub	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring**
		Value: 450sqm of flexible classroom space, with high-tech digital equipment and training kitchen) **Source of Value:** Full Business Case, sections 1.10; 5.1 and 5.5. **Future Monitoring Approach:** Progress meetings with the works contractor and project steering group **Frequency of tracking:** Monthly **Costs Allocated to Monitoring:** Time allocated resource as part of the project delivery team
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection: The baseline is zero. **Costs Allocated:** N/A

COMPLETE AND REPEAT FOR ALL OUTPUTS

ID	Output Description	
OP2	44 residential units	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring**
		Value: 44 residential units with a total floorspace of xy sqm **Source of Value:** Full Business Case, sections 1.10, 5.1 and 5.5. **Future Monitoring Approach:** Progress meetings with the works contractor **Frequency of tracking:** Monthly contractor meetings. **Costs Allocated to Monitoring:** Time allocated resource as part of the project delivery team
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection: The baseline is zero. **Costs Allocated:** N/A

ID	Output Description	
OP3	Public realm improvements	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring**
		Value: Public realm improvements made to prevent anti-social behaviour issues in the high street **Source of Value:** Full Business Case, sections 1.10, 5.1 and 5.5. **Future Monitoring Approach:** Progress meetings with the works contractor **Frequency of tracking:** Monthly contractor meetings. **Costs Allocated to Monitoring:** Time allocated resource as part of the project delivery team
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection: The baseline is zero **Costs Allocated:** N/A

OUTCOMES

- Please provide information about:
    - The planned/anticipated value for each outcome with the delivery of the scheme and reference this value from the Business Case or supporting documents
    - How the outcome will be monitored and evaluated for the One Year After Opening Report and for some outcomes, the Five/Three Years After Opening Report as well – you may need to include maps/diagrams to support this
    - The frequency of data collection related to the outcome
    - The anticipated cost of undertaking the monitoring and evaluation of the outcome for reports after opening

    - The approach used to obtain baseline information for each outcome
        - Costs associated with this

ID	Output Description	
OC1	30 direct jobs	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring** **Value:** 30 direct jobs, as a result of the hub delivery. This will be a mixture of admin staff, curriculum staff and tutors. **Source of Value:** Full Business case section 2.1 **Future Monitoring Approach:** Quarterly tracking **Frequency of tracking:** Annual reporting **Costs Allocated to Monitoring:** £0 **Details: Proposed Method of Collecting Baseline Information** **Approach for Collection:** The baseline is current Medway Adult Education staff, new starts above the current figure will be recorded **Costs Allocated:** - £0

COMPLETE AND REPEAT FOR ALL OUTCOMES

ID	Output Description	
OC2	48 Construction Jobs	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring** **Value:** 48 construction jobs created across all three outputs. Variety of trades and professionals, including consultants. **Source of Value:** Full business Case, section … **Future Monitoring Approach:** Monthly contractor meetings **Frequency of tracking:** Monthly **Costs Allocated to Monitoring: £0 part of the reporting from contractors** **Details: Proposed Method of Collecting Baseline Information** **Approach for Collection:** Zero baseline **Costs Allocated: £0**

ID	Output Description	
OC3	50 upskilled learners into employment p/a	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring** **Value:** 50 learners successfully moving into employment per annum. **Source of Value:** Business Case section 2.1 **Future Monitoring Approach:** Annual report **Frequency of tracking:** Quarterly tracking **Costs Allocated to Monitoring:**
		Details: Proposed Method of Collecting Baseline Information **Approach for Collection:** Baseline zero, this data for MAE isn't currently collected **Costs Allocated:** £5000 for administration support to enable tracking. Accounted for with within monitoring and evaluation costs.

ID	Output Description	
OC4	350 learners per year	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring** **Value:** 350 learners attend the centre on a variety of courses per annum. **Source of Value:** Business Case section 2.1 **Future Monitoring Approach:** Annual report **Frequency of tracking:** Quarterly tracking
		Details: Proposed Method of Collecting Baseline Information **Approach for Collection:** Baseline zero. Existing processes in place to record the number of learners attending, learners for this centre will be separately recorded. **Costs Allocated: £0**

ID	Output Description	
OC5	44 affordable homes	**Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring** **Value:** 44 affordable homes built in a former service yard. **Source of Value:** Business Case section 2.1 **Future Monitoring Approach:** Monthly contractor meetings **Frequency of tracking:** Annual **Costs Allocated to Monitoring: £0** **Details: Proposed Method of Collecting Baseline Information** **Approach for Collection:** Zero baseline **Costs Allocated: £0**

BASELINE REPORT

PURPOSE

- The Monitoring and Evaluation Plan details what the intended inputs, outputs, outcomes and impacts are of the scheme. It provides details of how they will be measured and any associated costs of the monitoring process.
- The Baseline Report provides information and metrics about the current situation in the impact area of the scheme before delivery commences. Information should be provided for each of the intended inputs, outputs, outcomes or impacts. This baseline data can be used in subsequent stages to identify the scale of change brought about by the scheme.
- The tables in the report provide the basis for a tracking spreadsheet (Benefits Realisation Profile (BRP)) which will be shared with the LEP. The tracking spreadsheet is used to track the baseline, planned/anticipated values and the actual values for every input, output, outcome or impact after the scheme opens.
- The tables in this report include a space for baseline values and for planned/forecast values for each input, output, outcome or impact. These values are likely to come from the Full Business Case, but may also come from supplementary documentation associated with the scheme.

AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS

The following provides information on the process for Monitoring and Evaluation and how the reports fit into this process.

M&E Plan

- Template is included within the Full Business Case pro-forma
- Outlines what is to be monitored (after scheme opening) as part of the inputs, outputs, outcomes and impacts and the cost associated with this
- Includes what will be collected as part of the Baseline Report (before scheme construction/delivery) and the costs (if any) associated with this
- Is prepared for a single scheme or a package of measures in totality (not for each part of the package). This applies to all reports

Baseline Report (YOU ARE HERE)

- The Report is completed at the time of the Business Case pro-forma (i.e. before the scheme is constructed/delivered)
- The Report is issued as a separate document to the Business Case
- Collates information which is used as point of reference to compare with data collected after opening as part of the One Year After Opening and Five Years After Opening Reports
- Includes the costs of the baseline data collection and if it differs from that estimated in the M&E Plan
- Information from this report goes into Benefits Realisation Profile

One Year After Opening Report

- The Report is completed after the scheme has been open or in place for one year
- The Report is issued as a stand-alone document
- Establishes inputs, outputs and outcomes and compares them to those established in the M&E Plan
- Includes the costs of collecting and analysing the data associated with the inputs, outputs and outcomes and compares this to those estimated in the M&E Plan
- Information to go into Benefits Realisation Profile

Five/Three Years After Opening Report

- The Report is completed after the scheme has been open or in place for five/three years
- The Report is issued as a stand-alone document
- Establishes outcomes and impacts and compares them to those established in the M&E Plan
- Includes the costs of collecting and analysing the data associated with the outcomes and impacts and compares this to those estimated in the M&E Plan
- Information to go into Benefits Realisation Profile

SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

PROPORTIONATE APPROACH TO COMPLETING THE REPORT

The LGF supports a wide range of schemes in terms of scope and capital costs.

The Monitoring and Evaluation process has been designed to be aligned to the scale of the scheme based on its total delivery value (including LGF allocations). As a minimum, the number of jobs and housing brought forward by the scheme should be considered. These are factors which the Ministry of Housing, Communities and Local Government (MHCLG) consider to be key outcomes of LGF schemes.

The following is an indicative guide to which inputs, outputs, outcomes and impacts should be included within the Monitoring and Evaluation process for different scales of intervention.

This is based on the scale of the total value of each scheme or the value of a package in totality. Where there are complementary phases of a scheme that are funded at different times, consider establishing the Monitoring and Evaluation for the overall scheme delivered.

Value of Scheme/Package	Inputs	Outputs	Outcomes	Impacts
Under £2m	As described within the report templates	As described within the report templates	Number of jobs and houses delivered	n/a
£2m- £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package (see Appendix A supplied separately) Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately) Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case
More than £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package plus applicable measures from the 'Further considerations' section (see Appendix A supplied separately) Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately) Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case

SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

BRITTON FARM MALL LEARNING SKILLS & EMPLOYMENT HUB

This Baseline Report provides the details of the inputs, outputs, outcomes and impacts of the Britton Farm Mall Learning Skills & Employment Hub from the period October 2020 to March 2022, before the scheme is constructed/delivered.

The objectives of the scheme are:

Objective 1: **Revitalise Gillingham High Street**

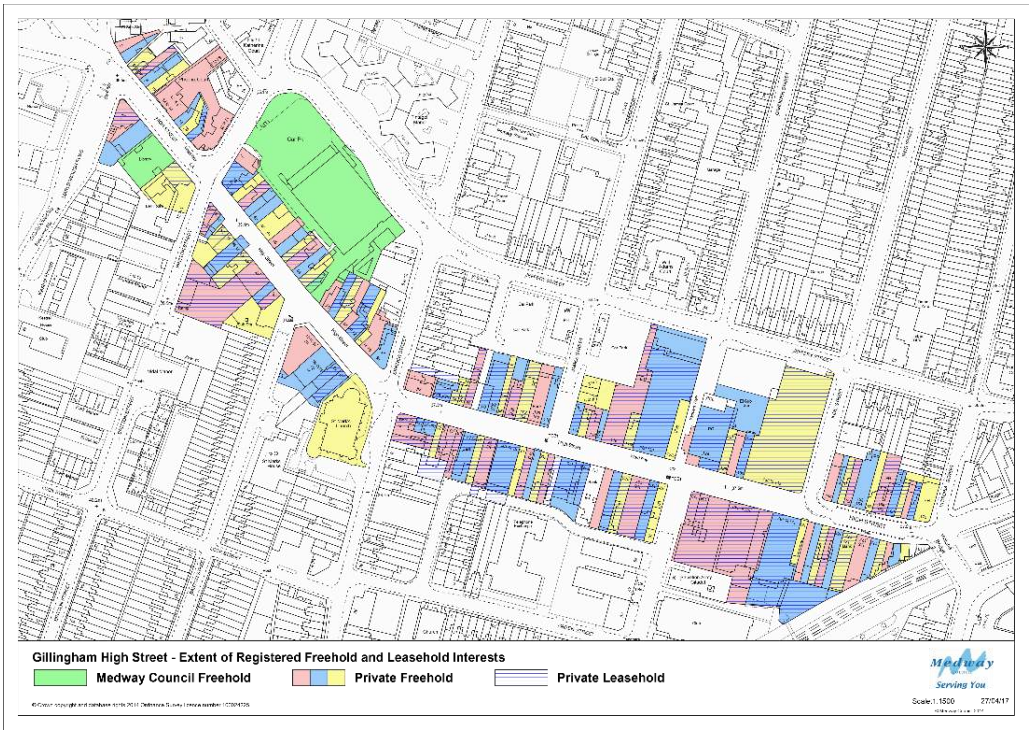
Objective 2: **Increase housing supply in Medway**

Objective 3: **Increase job supply in Medway**

Objective 4: **Support innovation via the creation of a cutting-edge Learning, Skills & Employment Hub**

The geography of the scheme is shown in the map below

[insert map(s) of final scheme here]



INPUTS

This section requires the scheme promoter to provide information about Scheme Spend, Project Delivery, Project Risk and Project Changes. These are referenced against the information provided in the Monitoring and Evaluation Plan.

- Update the table to include actual Financial Years in the period before opening.
- Monetary values should exclude inflation (nominal values) to easily compare forecast and actual values.
- *Note – you may need to extend this table if the funding occurs in a period more than 3 years before your scheme opening date.*
- Only the values for spend and leveraged funding will go into the BRP.

ID	Input Description	Source of Value		Monitoring Approach	Frequency of Tracking	Source	Year 1 Before Opening [FY1/FY2]				Year 2 Before Opening [FY1/FY2]				Year 3 Before Opening [FY1/FY2]			
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	Planned / Forecast				Planned/ Forecasted Spend Profile												
IN2	Matched Contributions Spend	Planned / Forecast				Planned/ Forecasted Spend Profile												
IN3	Leveraged Funding	Planned / Forecast				Planned/ Forecasted Spend Profile												

INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	October 2020
Public Consultation	October 2020
Detailed Design	December 2020
Full Planning Permission Granted	Secured
Site Mobilisation Works Commence	February 2021
Project Completion / Site Opening	March 2022

INPUT 5: RISK MITIGATION

- Please note any risk mitigation used and if any risks materialised up to the opening of the scheme [Please refer back to Risk Register in the Business Case].

No.	Risk	Impact	Category	Owner	Likelihood (1 to 4)	Consequence (1 to 4)	Risk Rating	Status	Action Plan	Action Plan Owner	Target date	Cost Allocated
1	Geotech Ground Risks/unexpect	Financial	Cost	Lewis Small (MDCL)	2	2	4	Ongoing Management	Sites considered low risk. Engineer to detail structure as design develops. Structural surveys now completed.	Amrosana (MDC Senior PM)	Ongoing	£200,000
2	Archaeology Ground Risks	Delays	Delays	Lewis Small (MDCL)	1	1	1	**Risk Closed**	Site considered low risk however, planning to confirm requirement as part of pre app. Not required from		Closed	
3	Ecology	Delays	Delays	Lewis Small (MDCL)	1	1	1	**Risk Closed**	Site very low risk, scoping survey unlikely - no request from planners. Nothing required from planning approval.		Closed	
4	Coronavirus second lockdown	Delays	Delays	Lewis Small (MDCL)	1	3	3	Ongoing Management	Healthy and Safety measures to be in place including, social distancing where possible and PPE. Construction completion timescale should align with post-Covid19 recovery. Construction has managed to continue through pandemic and therefore an inability to not proceed is unlikely.	Employers Agent/CM team	Ongoing	
5	Working adjacent to an occupied	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	2	2	Ongoing Management	Engage as part of stakeholder works	Amrosana (MDC Senior PM)	Nov-20	
6	Working in a public environment	Reputational damage	Reputational	Amrosana (MDC Senior PM)	2	2	4	Ongoing Management	Engage as part of stakeholder works, employ competent contractors and ensure robust health and safety measures	Amrosana (MDC Senior PM)	Ongoing	£20,000

7	Utilities	Delays and costs	Cost	Amrosana (MDC Senior PM)	1	2	2	Ongoing Management	Utilities checked- no major services run through the sites and local drainage is available. Sub station unlikely as already provided on site. Existing building and public realm already serviced with power etc	Employers Agent/CM team	Oct-20	£50,000
8	Stakeholder engagement	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	3	3	Ongoing Management	Close dialog continues with planning team and engagement is occuring through town centre forum. Further stakeholder engagment to be undertaken	Medway Council (shareholder)	Nov-20	£10,000
9	Car park closure/changes	Reputational damage	Reputational	Amrosana (MDC Senior PM)	1	1	1	**Risk Closed**	Parking strategy agreed already and capacity checked		Closed	
10	Site Security	Damage / Arson	Cost	Employers Agent/CM team	3	3	9	Ongoing Management	The specification includes a requirement for remotely monitored CCTV system, which tracks movement and allows remote message to be broadcast on site. Perimeter hoarding to be plywood fixed type, not heras. Contract insurances to be demonstrated as part of tender. Full time guard req'd	Employers Agent/CM team	Pre-contract	£20,000
11	Planning delays	Delays	Delays	Amrosana (MDC Senior PM)	1	1	1	Ongoing Management	Residential already approved. Public realm does not require pp. Application maybe required for first floor use as educational, but already discussed with planning and expected to be delegated approval	Lewis Small (MDCL)	Ongoing	

OUTPUTS

- Please provide information about:
    - what the baseline value is for each output and its source;
    - how the baseline value was measured;
    - what the planned/anticipated value is for the output and reference this source; and
    - how the value will be measured after the scheme opens.

EXAMPLE

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Type of service improvement	**Baseline**	8 minutes from x to y by bus 11 in the morning peak hour	Through public timetable information	n/a	Timetable Bus 11 (March 2018)	March 2018
		Planned/ Anticipated	6 minutes from x to y by tram in the morning peak hour	Through public timetable information	Once after opening for One Year After Report	Full Business Case, p10	From scheme opening (July 2021)

Details: Method of Collecting Baseline Information

Public transport information from the latest bus timetable for service 11 was reviewed from stop X to Stop Y. The map shows where these locations are.

The cost of collecting this information was £0.

COMPLETE AND REPEAT FOR ALL OUTPUTS

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Zero	**Baseline**	Zero	Zero	Not currently measured	N/A	Prior to March 2022
	1x Learning & Skills Hub	**Planned/ Anticipated**	350 learners per annum, with 50 learners into employment	Record of all learners and tracking for learners entering employment	Annually	Learner register	March 2022 onwards
Details: Method of Collecting Baseline Information							

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP2	Zero	**Baseline**	Zero	Zero	Not currently measured	N/A	Prior to March 2022
	44 residential units	**Planned/ Anticipated**	44 affordable homes built	Construction monitoring report	As built	Medway Development Company	March 2022 onwards
Details: Method of Collecting Baseline Information							

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP2	Zero	**Baseline**	Zero	Zero	Not currently measured	N/A	Prior to March 2022
	Public Realm improvements	**Planned/ Anticipated**	Improved high street environment	include additional lighting, enhanced streetscape and landscaping, CCTV, cycle stands and improvements to the cladding and façade of the building	As built	Medway Development Company	March 2022 onwards
Details: Method of Collecting Baseline Information							

OUTCOMES

- Provide information about:
    - what the baseline value is for each outcome and its source;
    - how the baseline outcome value was measured;
    - what the planned/anticipated value is for the outcome and reference for this source; and
    - how the value will be measured after the scheme opens.

EXAMPLE

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	Jobs connected to the intervention	**Baseline**	10 jobs from one business	Short email questionnaire	n/a	Email questionnaire before opening	2020
		Planned / Anticipated	30 jobs – 15 from construction and 15 total FTE as a result of the scheme (5 additional jobs delivered in each year after opening for the first three years only)	Construction jobs from contractors data. FTEs from surveying new businesses along the route of the tram with a short email questionnaire after scheme opening.	Once after opening and once for five years after opening report	Full Business Case, p22	After opening

Details: Method of Collecting Baseline Information

There is one business in the impact area of the scheme on a small business park which is newly opened. This is a small accountancy firm. Through an email questionnaire before opening, we found that it employs 10 FTE. The cost of finding out this information was 1 day of internal resource.

COMPLETE AND REPEAT FOR ALL OUTCOMES

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	30 direct jobs	**Baseline**	Zero	Zero	N/A	N/A	Prior to March 2022
		Planned/ Anticipated	30 direct jobs working in the skills hub	Annual report on new staff	Annually	Business Delivery Manager	March 2022 Onwards
Details: Method of Collecting Baseline Information							

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2	48 Construction Jobs	**Baseline**	Zero	Zero	N/A	N/A	Prior to October 2020
		Planned/ Anticipated	48 construction jobs across a range of trades and professions.	Quarterly report on new starts from contractors	Quarterly	Medway Development Company	October 2020 onwards
Details: Method of Collecting Baseline Information							

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2	50 upskilled learners into employment p/a	**Baseline**	Zero	Zero	N/A	N/A	Prior to March 2022
		Planned/ Anticipated	50 learners successfully moved into employment each year	Tracking of learners destinations. Tracked quarterly	Annual report	MAE learner register	March 2022 onwards
Details: Method of Collecting Baseline Information							

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2	350 learners per year	**Baseline**	Zero	Zero	N/A	N/A	Prior to March 2022
		Planned/ Anticipated	350 learners will attend courses at the hub per annum	Monthly tracking of the learner register	Monthly	MAE learner register	March 2022 onwards
Details: Method of Collecting Baseline Information							

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2	44 affordable homes	**Baseline**	Zero	Zero	N/A	N/A	Prior to October 2020
		Planned/ Anticipated	44 affordable homes built	Monthly contractor meetings	As built	Medway Development Company	October 2020 onwards
Details: Method of Collecting Baseline Information							

14. APPENDIX G - CATEGORIES OF EXEMPT INFORMATION

There is a clear public interest in publishing information and being open and transparent. But sometimes there is information which we can't publish because it would cause significant harm to the Council - for example by damaging a commercial deal or harming our position in a court case. Equally sometimes publishing information can harm someone who receives a service from us or one of our partners.

The law recognises this and allows us to place information in a confidential appendix if:

(a) it falls within any of paragraphs 1 to 7 below; and
(b) in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

1. *Information relating to any individual.*
2. *Information which is likely to reveal the identity of an individual.*
3. *Information relating to the financial or business affairs of any particular person (including the authority holding that information)*
4. *Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.*
5. *Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.*
6. *Information which reveals that the authority proposes— (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.*
7. *Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.*